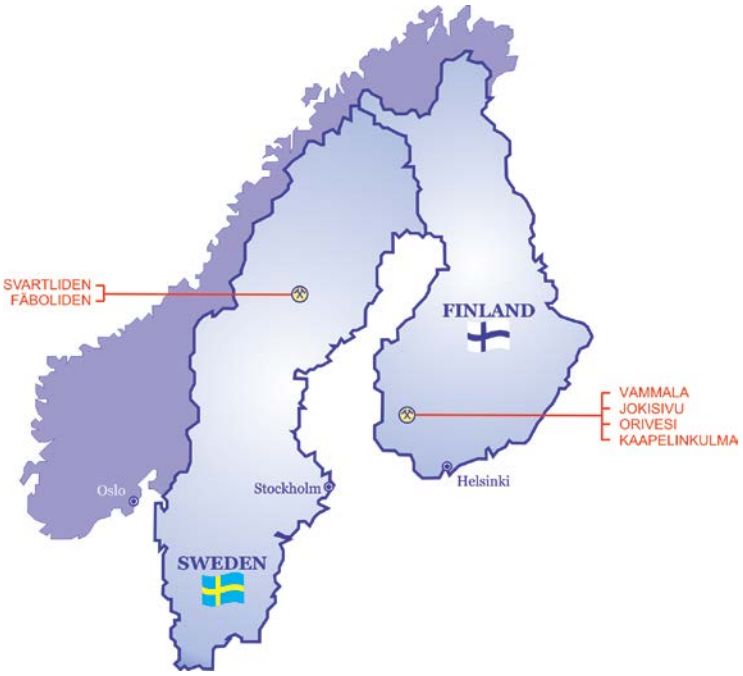
ASX ANNOUNCEMENT **28 FEBRUARY 2017**

MINERAL RESOURCES UPDATED FOR THE NORDIC PRODUCTION CENTRES

- **Production Centres' Mineral Resources total 1.443 million ounces grading 3.2 g/t gold**
- **51% increase in tonnes and 31% increase in ounces since 1 September 2015**
- **Fäboliden Gold Project Mineral Resource rises above 1 million ounces**

Dragon Mining Limited (ASX:DRA) ("Dragon Mining" or "the Company") is pleased to announce that the Mineral Resources for the Company's projects in Finland and Sweden have been updated, returning a combined total Mineral Resource of 13,948,000 tonnes grading 3.2 g/t gold for 1,443,000 ounces as at 31 December 2016 (Table 1).



This represents an overall increase in Mineral Resources for projects within the Vammala and Svartliden Production Centres, of 51% in tonnes and 31% in ounces since the previous update on 1 September 2015, as announced to the ASX on 29 February 2016 – Dragon Group Mineral Resources Updated. The increase includes a lift in the total Mineral Resource for the Fäboliden Gold Project to 1.019 million ounces, an increase of 37% in ounces since the maiden Mineral Resource for the Fäboliden project on 1 September 2015 that was announced to the ASX on 31 December 2015 – Maiden Mineral Resource for Fäboliden Gold Deposit.

These increases in Mineral Resources for the two Production Centres, in part cover the loss of resources from the Kuusamo Gold Project, following the sale of a 100% interest in the Finnish subsidiary Kuusamo Gold Oy during 2016.

The updating of the Mineral Resource estimates were finalised by independent mining consultants RungePincockMinarco in Western Australia and Hong Kong, and reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Table 1 - Mineral Resource estimates for the Vammala and Svartliden Production Centres as at 31 December 2016. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Vammala Production Centre												
Orivesi Gold Mine	37,000	6.1	7,000	85,000	7.7	21,000	35,000	7.7	8,000	157,000	7.3	37,000
Jokisivu Gold Mine	504,000	4.4	71,000	1,265,000	4.0	164,000	743,000	3.0	72,000	2,512,000	3.8	308,000
Kaapelinkulma Gold Project	-	-	-	123,000	4.4	18,000	34,000	3.0	3,000	157,000	4.1	21,000
Vammala PC Total	**542,000**	**4.5**	**78,000**	**1,473,000**	**4.3**	**203,000**	**812,000**	**3.2**	**84,000**	**2,826,000**	**4.0**	**366,000**
Svartliden Production Centre												
Fäboliden Gold Project	-	-	-	4,768,000	2.8	436,000	5,864,000	3.1	583,000	10,632,000	3.0	1,019,000
Svartliden Gold Mine	119,000	3.4	13,000	311,000	3.8	38,000	60,000	4.0	8,000	489,000	3.7	59,000
Svartliden PC Total	**119,000**	**3.4**	**13,000**	**5,078,000**	**2.9**	**473,000**	**5,924,000**	**3.1**	**591,000**	**11,121,000**	**3.0**	**1,077,000**
Group Total	**660,000**	**4.3**	**92,000**	**6,551,000**	**3.2**	**676,000**	**6,736,000**	**3.1**	**675,000**	**13,948,000**	**3.2**	**1,443,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

VAMMALA PRODUCTION CENTRE

The Vammala Production Centre is located in southern Finland, near the city of Tampere, 160km northwest of the Finnish capital Helsinki.

The Vammala Production Centre comprises the Vammala Plant, a conventional 300,000 tonnes per annum flotation and gravity circuit that processes ore from the Orivesi Gold Mine, Jokisivu Gold Mine, and the Company's soon to be third gold mining operation in the area the Kaapelinkulma Gold Project.

Since recommencing mining and processing operations in 2007, Dragon Mining has produced 283,082 ounces of gold from the Vammala Production Centre to the 31 December 2016.

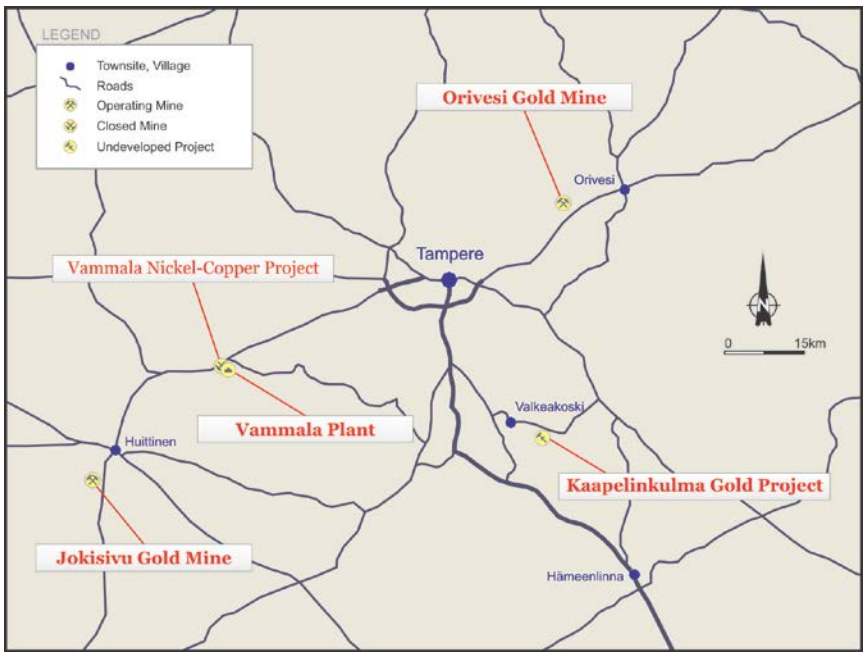


Figure 2 – Vammala Production Centre

Orivesi Gold Mine

The updated Mineral Resource for the Orivesi Gold Mine ("Orivesi") totals 157,000 tonnes grading 7.3 g/t gold for 37,000 ounces at a 3.85 g/t gold reporting cut-off grade. It comprises material from two principal lode systems, Kutema and Sarvisuo and the smaller Sarvisuo West lode system and represents a 51% decrease in tonnes and 44% decrease in ounces when compared to the Orivesi Mineral Resource as at 1 September 2015 of 322,000 tonnes grading 6.4 g/t gold for 66,200 ounces.

The decrease in tonnes and ounces is due to mining depletion from ore stopes and development drives and a change in the reporting cut-off grade from 3.0 g/t to 3.85 g/t gold. The new cut-off grade was determined using operating costs, mining and processing recoveries from Orivesi actuals and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

The Mineral Resource for the Kutema lode system extends over a strike length of 110 metres, has a maximum width of 60 metres and includes a 580 metre vertical interval from the 720m level to the 1,300m level. Material classified as Measured and Indicated accounts for 93% of the total ounces (91% - 1 September 2015) and extends over 440 metres vertically from the 720m level to the 1,260m level. Material classified as Inferred primarily extends from the 1,260m level to the 1,300m level. The Kutema lode system remains open with depth.

The Mineral Resource for the Sarvisuo and Sarvisuo West lode systems extends over a strike length of 280 metres and includes a 720 metre vertical extent from the 60m level to the 780m level. Material classified as Measured and Indicated accounts for 61% of the total ounces (50% - 1 September 2015) and occurs between the 120m and 260m levels and the 620m and 700m levels. The main Sarvisuo lodes lose continuity below the 620m level where drilling has failed to locate any continuous zones of high grade mineralisation. The Company is now further evaluating the upper zones of the Sarvisuo and Sarvsuo West lode systems, between the surface and the 160m level.

Table 2 - Mineral Resource estimates for the Orivesi Gold Mine as at 31 December 2016. Mineral Resources for both the Kutema and Sarvisuo lode systems are reported at a cut-off grade of 3.85 g/t gold. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Orivesi Gold Mine												
Kutema	31,000	5.7	6,000	49,000	6.9	11,000	7,000	5.8	1,000	87,000	6.4	18,000
Sarvisuo	6,000	8.2	2,000	35,000	8.8	10,000	29,000	8.1	7,000	69,000	8.5	19,000
Total	**37,000**	**6.1**	**7,000**	**85,000**	**7.7**	**21,000**	**35,000**	**7.7**	**8,000**	**157,000**	**7.3**	**37,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

Orivesi is located 80 kilometres to the northeast of the Vammala Plant immediately to the west of the Orivesi township in the Pirkanmaa Region in southern Finland. It is hosted by the Palaeoproterozoic Tampere Schist Belt and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold system. Orivesi was initially in operation between 1992 and 2003 and produced 422,000 ounces of gold from a series of near vertical pipe-like lodes at Kutema. Two of the five principal lodes at Kutema continued below the historical extent of the decline at the 720m level and this area has been the subject of a program of staged development and production stoping down to the 1205m level since 2007. Mining from the Sarvisuo lodes, 300 metres east of Kutema commenced in early 2008 and has to date been conducted from the 240m to the 620m level.

Jokisivu Gold Mine

The updated Mineral Resources for the Jokisivu Gold Mine ('Jokisivu") totals 2,512,000 tonnes grading 3.8 g/t gold for 308,000 ounces at a 1.5 g/t gold reporting cut-off grade. It comprises material from two deposits, Kujankallio and Arpola.

The update yielded a 70% increase in tonnes and a 39% increase in ounces when compared to the Jokisivu Mineral Resource as at 1 September 2015 of 1,480,000 tonnes grading 4.7 g/t gold for 222,200 ounces. The increases are the product of encouraging results obtained from drilling campaigns completed since 1 September 2015 that targeted the extensions of the Kujankallio and Arpola deposits and a change in the reporting cut-off grade from 2.0 g/t gold to 1.5 g/t gold. The new cut-off grade was determined using operating costs, mining and processing recoveries from Jokisivu actuals and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

The Kujankallio Mineral Resource extends over a strike length of 700 metres and includes a vertical extent of 520 metres from surface to the -530mRL. Material classified as Measured and Indicated in the updated Mineral Resource for the Kujankallio deposit accounts for 70% of the total ounces (71% - 1 September 2015) and occurs over a vertical extent of 440 metres from -10m RL. The Inferred material extends from the -20mRL to the -530mRL.

The updated Mineral Resource for Arpola extends over a strike length of 395 metres and includes a 300 metre vertical extent from -10mRL to -310mRL. Measured and Indicated material in the updated Arpola Mineral Resource accounts for 84% of the total ounces (67% - 1 September 2015) and occurs over a vertical extent of 260 metres from the -10mRL to -270mRL. The Inferred material extends from -10mRL level to -310mRL.

Both the Kujankallio and Arpola deposits remain open with depth.

Table 3 - Mineral Resource estimates for the Jokisivu Gold Mine as at 31 December 2016. Mineral Resources for both the Kujankallio and Arpola gold deposits are reported at a cut-off grade of 1.50 g/t gold. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Jokisivu Gold Mine												
Kujankallio	333,000	4.1	44,000	674,000	3.4	73,000	576,000	2.7	51,000	1,584,000	3.3	168,000
Arpola	171,000	4.9	27,000	591,000	4.8	91,000	166,000	4.1	22,000	928,000	4.7	140,000
Total	**504,000**	**4.4**	**71,000**	**1,265,000**	**4.0**	**164,000**	**743,000**	**3.0**	**72,000**	**2,512,000**	**3.8**	**308,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

Jokisivu is located in the municipality of Huittinen in southern Finland, 40 kilometres southwest of the Vammala Plant and hosts two gold deposits, Kujankallio and Arpola. The deposits represent structurally controlled orogenic gold systems located within the Palaeoproterozoic Vammala Migmatite Belt. Open cut mining at Kujankallio commenced in 2009 and underground production in 2011. A small open pit was mined at Arpola in 2011 and underground production commenced from this deposit in 2014.

Kaapelinkulma Gold Project

The updated Mineral Resource for the Kaapelinkulma Gold Project ("Kaapelinkulma") totals 157,000 tonnes grading 4.1 g/t gold for 21,000 ounces at a 1 g/t gold reporting cut-off grade. It represents material from two zones of mineralisation, North and South.

The update returned increases in tonnes and ounces of 43% and 13%, respectively when compared to the combined Mineral Resource as at 1 September 2015 of 110,000 tonnes grading 5.2 g/t gold for 18,600 ounces. The increase is

primarily the result of a change in the reporting cut-off grade from 2 g/t gold to 1 g/t gold. The new cut-off grade was determined using costs and recoveries from the updated and ongoing Kaapelinkulma Pre-Feasibility study and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

Table 4 - Mineral Resource estimates for the Kaapelinkulma Gold Project as at 31 December 2016. Mineral Resources are reported at a cut-off grade of 1.00 g/t gold and are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Kaapelinkulma Gold Project												
Kaapelinkulma	-	-	-	123,000	4.4	18,000	34,000	3.0	3,000	157,000	4.1	21,000
Total	**-**	**-**	**-**	**123,000**	**4.4**	**18,000**	**34,000**	**3.0**	**3,000**	**157,000**	**4.1**	**21,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

The Kaapelinkulma Mineral Resource extends over a combined strike length of 440 metres, 280 metres in the southern area and 160 metres in the northern area and includes a vertical extent of 100 metres from 130mRL to 30mRL. Material classified as Indicated in the updated Mineral Resource accounts for 84% of the total ounces (87% - 1 September 2015).

Kaapelinkulma is an advanced exploration project, 65 kilometres east of the Vammala Plant in the municipality of Valkeakoski. It is an orogenic gold deposit sited within the Paleoproterozoic Vammala Migmatite Belt. The project has received all required Environmental Permits to undertake mining, the Kaapelinkulma Mining Concession becoming valid during 2016 following negotiations with affected landholders.

Permission was also received from the Centre for Economic Development, Transport and the Environment ("ELY Centre") to process ore from Kaapelinkulma at the Vammala Plant while the new Environmental Permit for the Vammala Plant is still under appeal. This allows the Company to now commence mining at Kaapelinkulma. It will phase in the operation with the mine plans at Orivesi and Jokisivu, as outlined in the ASX release on the 25 November 2016 – Dragon Mining's Third Gold Mine in Southern Finland Ready to Commence.

Summary of Information Material to Understanding the Reported Mineral Resource Estimates

Orivesi Gold Mine – Kutema Lode System

- *Geology and Mineralisation Interpretation*

The Kutema lode system is a Palaeoproterozoic gold deposit located in the Tampere Schist Belt. The area is dominated by intermediate, often massive, plagioclase porphyritic metatuffs of dacitic, trachydacitic and andesitic composition. The mineralisation is associated with the Kutema alteration zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold deposit. The mine is located at the south-western edge of the altered metavolcanic sequence.

Kutema comprise multiple sub-vertical pipe-like lodes with excellent vertical continuity. Gold mineralisation is related to strongly deformed and silicified zones characterized by shearing, boudinaging, folding and quartz veining during syn- to late-stage deformation.

The interpretations of the mineralised lodes are based on a combination of gold assays, lithology and structure.

- *Drill Information and Sampling*

The various mineralised lodes at Kutema have been sampled using diamond core drill holes and underground production sludge holes.

Production sludge hole (grade control) drilling was undertaken at 4 metre intervals along development drives, whilst diamond holes were drilled at variable spacing's, but averaged 10 metres to 30 metres spacing in the central portions of the deposit around the underground development, increasing to 30 metres to 60 metres above and below the current working levels.

Drill holes used in the Mineral Resource estimate included 738 diamond core drill holes and 4,696 underground production sludge holes for a combined total of 47,915 metres within the mineralisation wireframes. Drilling has been conducted by three groups, Lohja Oy ("Lohja"), Outokumpu Oy ("Outokumpu") and Dragon Mining. Diamond drilling by Lohja and Outokumpu used 45mm diameter core (T56). Diamond drilling by Dragon Mining has used 39mm, 40.7mm and 50mm core diameter (WL-56, BQTK and NQ2). Sludge holes are drilled with a 'Solo' rig at a hole diameter of 64mm.

The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the mineralised zones. All drill hole collar coordinates have been accurately surveyed by qualified mine surveyors and tied into the local mine grid. Downhole surveys were undertaken on all exploration and resource development holes, however the majority of historic holes only have dip data with nominal azimuth readings.

Diamond full-core is usually submitted for sample preparation and assay. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis.

Sampling of diamond core uses industry standard techniques. Core sampling was undertaken at intervals from 0.3 metres to 2.5 metres based on geological boundaries with the average sample length being around 1.5 metres.

For the sludge drilling, slurry runs via a dedicated pipeline to a plastic bucket. After thorough mixing of the slurry, a sample is collected into a sample bag with a sample length of 1.5 metres (a length of a rod). After each sample (rod), the hole is washed strongly with water to minimize contamination. This kind of sludge drilling has been routinely and successfully applied at Orivesi over 20 years.

Prior to 2004, QAQC programs were restricted to the analysis of 41 duplicate samples from two drill holes. Since 2004, a more expansive QAQC program was implemented consisting of systematic duplicate and standard samples. The program included using a duplicate sample every 20th sample and also submitting a standard sample for every 20th sample. Constant monitoring of the standard and duplicate results has been undertaken by Dragon Mining geologists.

- *Sample Preparation and Analysis*

Prior to 2006 samples were assayed by GAL or VTT Laboratories in Outokumpu. The whole pulverised core was assayed for gold by Fire Assay using a 40g charge with gravimetric finish using standard methods. In addition to gold, some mineralised sections were analysed for a number of other elements including tellurium and bismuth. From 2006, all samples were shipped to ALS Minerals (Perth, Australia or more recently Rosia Montana, Romania) for Fire Assay determination (30g subsample) with AAS finish. Recently, for samples returning values above 5 g/t gold, a 50g Fire Assay with gravimetric finish was used.

- *Estimation Methodology and Classification*

Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate of the Kutema Mineral Resource, constrained by hard boundaries defined from a combination of gold grade, lithology and structure based on a nominal 0.6 g/t to 1.0 g/t gold cut-off and minimum down hole length of 1.5 metres. Samples within the wireframes were composited to 1.5m intervals. A high grade cut of 50 g/t gold was applied to mineralised objects. The estimate is based on a block size of 5m NS by 10m EW by 10m vertical, with sub-blocks of 1.25m by 2.5m by 2.5m. A bulk density value of 2.80t/m^3 was assigned to all material.

A first pass radius of 25 metres and a second pass of 60 metres were used with a minimum number of samples of 10 and 4 respectively. A third pass search radius of 200 metres was used with 2 the minimum number of samples to fill the model.

Mineral Resources are reported in accordance with the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Kutema Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive underground level development and sludge drilling. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 30m by 30m.

The input data is comprehensive in its coverage of the mineralisation. The definition of mineralised zones is based on a high level of geological understanding, producing a robust model of the mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples.

The Mineral Resource has been reported at a 3.85 g/t gold cut-off based on Orivesi actuals and a gold price of US$1,500 per ounce and has been depleted for mining to the 31 December 2016.

- *Mining, Metallurgy and Other Modifying Factors*

Dragon Mining has been mining by underground methods the Kutema lode system since 2007 and has a good understanding of the geology and mineralisation controls.

No assumptions have been made regarding metallurgical amenability for future material, however it is assumed that the ore type will not change based on the observation and results from recent drilling. Ore from Kutema is processed at the Vammala Plant, a conventional flotation and gravity circuit. Only the flotation circuit is used for the Kutema ore due to the fine-grained nature of the gold. The gold concentrate produced from the Kutema ore is trucked to, and further processed at the Company's Svartliden Plant in northern Sweden or Boliden's Harjavalta smelter in southern Finland.

Orivesi Gold Mine – Sarvisuo Lode System

- *Geology and Mineralisation Interpretation*

The Sarvisuo lode system is a Palaeoproterozoic gold deposit located in the Tampere Schist Belt. The area is dominated by intermediate, often massive, plagioclase porphyritic metatuffs of dacitic, trachydacitic and andesitic composition. The mineralisation is associated with the Kutema alteration zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold deposit. The mine is located at the southwestern edge of the altered metavolcanic sequence.

Sarvisuo comprise multiple sub-vertical pipe-like lodes with good vertical continuity. Gold mineralisation is related to strongly deformed and silicified zones characterized by shearing, boudinaging, folding and quartz veining during syn- to late-stage deformation.

The interpretations of the mineralised lodes are based on gold assays using a nominal 0.5 g/t gold cut-off grade. However, in some areas the cut-off grade was reduced to as low as 0.1 g/t gold to capture the high grade mineralisation that is erratically distributed within the broader mineralised zones.

- *Drill Information and Sampling*

The various mineralised lodes at Sarvisuo deposit have been sampled using surface and underground diamond drill holes, surface reverse circulation holes, underground production sludge holes, and surface trench sampling.

Production sludge drilling was undertaken at 4 metre intervals along development drives, whilst diamond holes were drilled at variable spacing's but averaged 10 metres to 30 metres spacing in the central portions of the deposit around the underground development, increasing to 30 metres to 60 metres above and below the current working levels.

Drill holes used in the estimate included 339 diamond core drill holes, 1,947 underground production sludge holes, and 2 reverse circulation drill holes for a combined total of 14,089 metres within the mineralisation wireframes. Drilling has been conducted by two groups, Outokumpu and by Dragon Mining. Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76, NQ2 or T56). Diamond drilling by Dragon Mining used 50mm core diameter (NQ2). Sludge holes are drilled with a 'Solo' rig at a hole diameter of 64mm.

The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the mineralised zones. All drill hole collar coordinates have been accurately surveyed by qualified mine surveyors and tied into the local mine grid. Downhole surveys were undertaken on all exploration and resource development holes, however the majority of historic holes only have dip data with nominal azimuth readings.

Diamond full-core is usually submitted for sample preparation and assay. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis.

Sampling of diamond core uses industry standard techniques. Core sampling was undertaken at intervals from 0.3 metres to 2.5 metres based on geological boundaries with the average sample length being around 1.5 metres.

For the sludge drilling, slurry runs via a dedicated pipeline to a plastic bucket. After thorough mixing of the slurry, a sample is collected into a sample bag with a sample length of 1.5 metres (a length of a rod). After each sample (rod), the hole is washed strongly with water to minimize contamination. This kind of sludge drilling has been routinely and successfully applied at Orivesi over 20 years.

Prior to 2004 QAQC programs were restricted to the analysis of 41 duplicate samples from two drill holes. Since 2004, a more expansive QAQC program was implemented consisting of systematic duplicate and standard samples. The program included using a duplicate sample every 20th sample and also submitting a standard sample for every 20th sample. Constant monitoring of the standard and duplicate results has been undertaken by Dragon Mining geologists.

- *Sample Preparation and Analysis*

Between 1992 and 2002 the Geoanalytical Laboratory in Outokumpu was responsible for all assaying. The whole

pulverised core was assayed for gold by Fire Assay using a 40 gram charge with gravimetric finish using standard methods. From 2002 to 2003 analysis for gold was undertaken by the GTK (50g subsample / Pb Fire Assay / FAAS determination). In addition to gold, some mineralised sections were analysed for a number of other elements. From 2003 to 2006 all samples were shipped to ACME Analytical Laboratories Ltd in Vancouver, Canada for gold analysis (30g subsample / Pb Fire Assay / ICP-ES determination). From 2006, all samples were shipped to ALS Minerals (Perth, Australia or more recently Rosia Montana, Romania) for Fire Assay determination (30g subsample) with AAS finish. Recently, for samples returning values above 5 g/t gold, a 50g Fire Assay with gravimetric finish was used.

- *Estimation Methodology and Classification*

Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate of the Sarvisuo Mineral Resource, constrained by hard boundaries defined from a combination of gold grade, lithology and structure based on a nominal 0.6 g/t to 1.0 g/t gold cut-off and minimum down hole length of 1.5 metres. Samples within the wireframes were composited to 1.5m intervals. A high grade cut of 50 g/t gold was applied to mineralised objects. The estimate is based on a block size of 2m NS by 10m EW by 10m vertical, with sub-blocks of 0.5m by 2.5m by 2.5m. A bulk density value of 2.80t/m^3 was assigned to all material.

A long axis radius of 30 metres was used for the first pass and this was increased to 60 metres for the second. A third pass radius of 200 metres was used to fill the model.

Mineral Resources have been reported in accordance with the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Sarvisuo Mineral Resource was classified based on sample spacing and continuity of the interpreted zones. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive underground level development and sludge drilling. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones.

The input data is comprehensive in its coverage of the mineralisation. The definition of mineralised zones is based on a high level of geological understanding, producing a robust model of the mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples.

The Mineral Resource has been reported at a 3.85 g/t gold cut-off based on Orivesi actuals and a gold price of US$1,500 per ounce and has been depleted for mining to the 31 December 2016.

- *Mining, Metallurgy and Other Modifying Factors*

Dragon Mining has been mining by underground methods the Sarvisuo lode system since 2008 and has a good understanding of the geology and mineralisation controls.

No assumptions have been made regarding metallurgical amenability, however it is assumed that the ore type will not change based on the observation and results from recent drilling. Ore from Sarvisuo is processed at the Vammala Plant, a conventional flotation and gravity circuit. Only the flotation circuit is used for the Sarvisuo ore due to the fine-grained nature of the gold. The gold concentrate produced from the Sarvisuo ore is trucked to, and further processed at the Company's Svartliden Plant in northern Sweden or Boliden's Harjavalta smelter in southern Finland.

Jokisivu Gold Mine – Kujankallio Deposit

- *Geology and Mineralisation Interpretation*

The Kujankallio deposit is a Palaeoproterozoic orogenic gold deposit within the Vammala Migmatite Belt. It comprises a set of parallel lodes of varying thickness and grade hosted in a shear zone striking west-northwest. The shears are characterised by laminating, pinching, and swelling quartz veins and a well-developed, moderately plunging lineation. The lodes are hosted within a sheared quartz diorite unit.

Gold mineralisation is contained within quartz veins occurring within the barren host rocks.

The current interpretations of the mineralised zones are based on gold assays using in general a 1 g/t gold cut-off grade, however grades as low as 0.2 g/t gold were included where known quartz veining, shearing and scheelite and arsenopyrite mineralisation warranted it. No minimum width has been applied due to the pinch and swell nature of the deposit.

- *Drill Information and Sampling*

The various mineralised lodes at the Kujankallio deposit were sampled using surface and underground diamond core drill holes, reverse circulation drill holes, percussion drill holes, surface trench sampling, sludge drill holes and face chip sampling from underground development drives.

Drill holes used in the estimate included 476 diamond core drill holes, 14 mini drill holes, 312 percussion drill holes, 47 reverse circulation drill holes, 744 underground production sludge holes and 17 surface channel samples for a combined total of 7,331 metres within the mineralised wireframes.

Drilling was conducted by Outokumpu and by Dragon Mining. In the 1980's and 1990's, diamond drilling by Outokumpu used 45mm core diameter (T56). Since 2000, diamond drilling by Outokumpu and Dragon Mining used 62mm and 50mm diameter core (T76 or NQ2).

Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors – Destia Oy's Survey and Analysis Services using a Laica TCRP1203+ tachometer from 2009 to October 2010, from October 2010 to 2012 Prismarit Oy using a Leica TCRP1201 tacheometer and from 2013 SK-Kaivin Oy using a Leica TS15P5 R400 tacheometer.

Collar azimuths have been accurately surveyed by qualified surveyors. Dip values were measured at regular 10m intervals down hole by the drillers using conventional equipment. The deeper holes have been surveyed with Reflex Maxibor, EMS multi-shot or DeviFlex equipment.

Diamond core is cut in half using a core saw with half core submitted for assay. In some cases, full-core or quarter core is sent for analysis.

Percussion drill samples were collected at 1m intervals at the rig and split at the laboratory's sample handling facility.

- *Sample Preparation and Analysis*

The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish. Samples from drilling programs completed between 2000 and 2003 were analysed for gold using 50g Fire Assay with AAS or ICP finish at VTT laboratory in Outokumpu and GTK's facilities in Espoo and Rovaniemi. In addition, some mineralised sections were assayed by ACME Analytical Laboratories in Vancouver for a multi-element suite by ICP-MS methods. From 2003 to 2008, pulverised samples were shipped to ACME Analytical Laboratories for gold analysis using a 30g Fire Assay with ICP-ES finish. During this period, samples exceeding a 1 g/t gold level were checked using Fire Assay with gravimetric finish. From 2008, analysis was completed by ALS Minerals (Rosia Montana, Romania) for gold using 30g Fire Assay with AAS finish. Any gold values exceeding 3 g/t gold were checked with Fire Assay using a gravimetric finish.

- *Estimation Methodology and Classification*

Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate of the Kujankallio Mineral Resource, constrained by hard boundaries defined by gold grade. No minimum width was applied due to the pinch and swell nature of the deposit. Samples within the wireframes were composited to 1.0m intervals. High grade cuts varying between 10 g/t to 80 g/t gold were applied to mineralised objects where appropriate. The estimate is based on a block size of 2m NS by 5m EW by 5m vertical, with sub-blocks of 0.5m by 1.25m by 1.25m. A bulk density value of 2.80t/m^3 was assigned to all material.

A long axis radius of 45 metres was used for the first pass and this was increased to 60 metres for the second. A third pass radius of 150 metres was used to fill the model.

Mineral Resources were classified in accordance with the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Measured, Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Measured Mineral Resource has been defined by close spaced open cut and underground grade control drilling (5m by 10m) which display very good grade and geological continuity. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the resource where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones.

The mineralised lodes interpreted at Kujankallio are based on a high level of geological understanding, producing a robust model. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate.

The Mineral Resource has been reported at a 1.5 g/t gold cut-off based on Jokisivu actuals and a gold price of US$1,500 per ounce and depleted for mining to the 31 December 2016.

- *Mining, Metallurgy and Other Modifying Factors*

The Kujankallio deposit is currently being mined using underground methods.

No assumptions have been made regarding metallurgical amenability, however it is assumed that the ore type will not change based on the observation and results from recent drilling. Ore from Kujankallio is processed at the Vammala Plant, a conventional flotation and gravity circuit. The gold flotation concentrate produced from the Kujankallio ore is trucked to, and further processed at the Company's Svartliden Plant in northern Sweden. The gold gravity concentrate is shipped to Argor-Heraeus in Switzerland for refining.

Jokisivu Gold Mine – Arpola Deposit

- *Geology and Mineralisation Interpretation*

The Arpola deposit is a Palaeoproterozoic orogenic gold deposit within the Vammala Migmatite Belt. It comprises a set of parallel lodes of varying thickness and grade hosted in a shear zone striking west-northwest. The shears are characterised by laminating, pinching, and swelling quartz veins and a well-developed, moderately plunging lineation. The lodes are hosted within a sheared quartz diorite unit.

Gold mineralisation is contained within quartz veins occurring within the barren host rocks.

The current interpretations of the mineralised zones are based on a combination of gold grade, lithology and structure. Shapes are consistent with the geological understanding of the deposit, in some areas the cut-off grade was reduced to as low as 0.07 g/t gold to generate continuous shapes.

- *Drill Information and Sampling*

The various mineralised lodes at the Arpola deposit were sampled using surface and underground diamond core drill holes, reverse circulation and percussion drill holes, surface trench sampling, sludge drill holes and face chip sampling from underground development drives.

Drill holes used in the estimate included 220 diamond core drill holes, 1 mini-drill hole, 7 percussion drill holes, 130 production sludge drill holes, 79 reverse circulation drill holes and 21 surface channel samples for a total of 2,805 metres within the mineralised wireframes.

Drilling was conducted by Outokumpu and Dragon Mining. In the 1980's and 1990's, diamond drilling by Outokumpu used 45mm core diameter (T56). Since 2000, diamond drilling by Outokumpu and Dragon Mining used 62mm and 50mm diameter core (T76 or NQ2).

Drill hole collars have been accurately surveyed by various contract surveyors – Destia Oy's Survey and Analysis Services using a Laica TCRP1203+ tachometer from 2009 to October 2010, from October 2010 to 2012 Prismarit Oy using a Leica TCRP1201 tacheometer and from 2013 SK-Kaivin Oy using a Leica TS15P5 R400 tacheometer.

Collar azimuths have been accurately surveyed by qualified surveyors. Dip values were measured at regular 10m intervals down hole by the drillers using conventional equipment. The deeper holes have been surveyed with Reflex Maxibor, EMS multi-shot or DeviFlex equipment.

Diamond core is cut in half using a core saw with half core submitted for assay. In some cases, full-core or quarter core is sent for analysis.

Percussion drill samples were collected at 1m intervals at the rig and split at the laboratory's sample handling facility.

- *Sample Preparation and Analysis*

The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish. Samples from drilling programs completed between 2000 and 2003 were analysed for gold using 50g Fire Assay with AAS or ICP finish at VTT laboratory in Outokumpu and GTK's facilities in Espoo and Rovaniemi. In addition, some mineralised sections were assayed by ACME Analytical Laboratories in Vancouver for a multi-element suite by ICP-MS methods. From 2003 to 2008, pulverised samples were shipped to ACME Analytical Laboratories for gold analysis using a 30g Fire Assay with ICP-ES finish. During this period, samples exceeding a 1 g/t gold level were checked using Fire Assay with gravimetric finish. From 2008, analysis was completed by ALS Minerals (Rosia Montana, Romania) for gold using 30g Fire Assay with AAS finish. Any gold values exceeding 3 g/t gold were checked with Fire Assay using a gravimetric finish.

- *Estimation Methodology and Classification*

Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate of the Arpola Mineral Resource, constrained by hard boundaries. No minimum width was applied due to the pinch and swell nature of the deposit. Samples within the wireframes were composited to 1.0m intervals. High grade cuts varying between 5 g/t to 60 g/t gold were applied to mineralised objects where appropriate. The estimate is based on a block size of 2m NS by 5m EW by 5m vertical, with sub-blocks of 0.5m by 2.5m by 1.25m. A bulk density value of 2.80t/m^3 was assigned to all material.

A long axis radius of 30 metres was used for the first pass and this was increased to 60 metres for the second. A third pass radius of 90 metres was used to fill the model.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. In general, any zone defined by surface trenching/drilling where drill hole spacing was 10m by 5m and reasonable geological lode continuity was apparent (or confirmed by underground development drives) was classified as Measured Mineral Resource. Other zones where drill hole spacing was less than 20m by 20m and reasonable geological lode continuity was apparent were classified as Indicated Mineral Resource. Those zones where drill hole spacing was greater than 20m by 20m, or where the continuity and/or geometry were uncertain were classified as Inferred Mineral Resource. Zones with less than four intersections were also classified as Inferred.

The mineralised lodes interpreted at Arpola are based on a high level of geological understanding. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate.

The Mineral Resource has been reported at a 1.5 g/t gold cut-off based on Jokisivu actuals and a gold price of US$1,500 per ounce and depleted for mining to the 31 December 2016.

- *Mining, Metallurgy and Other Modifying Factors*

The Arpola deposit is currently being mined using underground methods.

No assumptions have been made regarding metallurgical amenability, however it is assumed that the ore type will not change based on the observation and results from recent drilling. Ore from Arpola is processed at the Vammala Plant, a conventional flotation and gravity circuit. The gold flotation concentrate produced from the Arpola ore is trucked to, and further processed at the Company's Svartliden Plant in northern Sweden. The gold gravity concentrate is shipped to Argor-Heraeus in Switzerland for refining.

Kaapelinkulma Gold Project

- *Geology and Mineralisation Interpretation*

The Kaapelinkulma North and South deposits are Palaeoproterozoic orogenic gold deposits located in the Vammala Migmatite Belt. The deposits comprise a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit which occurs inside a tonalitic intrusive. The shear system is en echelon type. Surrounding the tonalite is a mica gneiss. Gold mineralisation is mainly free gold in quartz veins.

The current interpretations are based on gold assays, using a nominal 0.5 g/t gold cut-off grade. In some areas, the cut-off grade was reduced to as low as 0.3 g/t gold to generate sensible geological shapes and to capture the high grade mineralisation that is erratically distributed within the broader mineralised zones.

- *Drill Information and Sampling*

The various mineralised lodes at the Kaapelinkulma deposits were sampled using surface diamond drill holes, percussion holes, and surface trench sampling. Drilling was conducted primarily on 10 metre line spacing increasing to 40 metres at depth.

Drill holes used in the estimate included 131 diamond core drill holes, 39 percussion drill holes and 13 surface channel samples for a combined total of 739 metres within the mineralised wireframes.

Drilling was conducted by Geological Survey of Finland (GTK), Outokumpu Mining Oy and by Dragon Mining. Diamond drilling by GTK used 45mm core diameter (T56). Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76 and NQ2). Diamond drilling by Dragon Mining used 50mm and 57.5mm core diameter (NQ2 and T76WL).

Diamond core is cut in half using a core saw with half core submitted for assay. In some cases, whole core is sent for analysis. Sample intervals range from 0.2 to 2.0 metres based on geological boundaries.

Percussion drill samples were collected at either 1 metre or 2 metre intervals. Samples were collected at the rig and split on a plastic covered table at the drill site. The sample cone was first split in half using hard and thin sheets, and then quarter split to obtain a sample to be sent for analysis.

Drill collars and starting azimuths have been accurately surveyed by surveyors from Orivesi and geotechnicians from the Exploration Department.

- *Sample Preparation and Analysis*

The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). Values exceeding 1 g/t gold (prior to 2009) and 5 g/t gold (from 2009) were checked using Fire-Assay with gravimetric finish. Trench samples were also analysed using Aqua-Regia digestion with ICP-MS analysis for multi-element assays. The main element assayed was gold, undertaken at GTK's laboratory in Espoo between 2000 and 2002, ACME laboratory in Vancouver between 2003 and 2008 and ALS Minerals in Perth, Vancouver and Romania since 2008.

- *Estimation Methodology and Classification*

The Inverse Distance Squared (ID^2) algorithm for grade interpolation was used for the Kaapelinkulma Mineral Resource using an ellipsoid search oriented to the average strike, plunge and dip of the mineralised zones. Samples within the wireframes were composited to 1.0m intervals. High grade cuts ranging from 20 g/t to 50 g/t gold based on statistical analysis were applied to the composites. The estimate is based on a block size of 10m NS by 2m EW by 5m vertical, with sub-blocks of 2.5m by 0.5m by 1.25m. A bulk density value of 2.83t/m^3 was assigned to all material.

Mineral Resources have been reported in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated portion of the resource included the area defined by surface trenching, to a depth of 20m. Other areas where the drill spacing was less than 20m by 20m and lode continuity was good were also classified as Indicated Mineral Resource. The remainder of the deposit that is defined by drilling at greater than 20m spacing and where lode continuity was less certain was classified as Inferred Mineral resource.

The mineralised lodes interpreted at Kaapelinkulma are based on a high level of geological understanding of similar deposits currently being mined by Dragon Mining. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate.

The Mineral Resource has been reported at a 1 g/t gold cut-off that was determined using costs and recoveries from the updated and ongoing Kaapelinkulma Pre-Feasibility study and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

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- *Mining, Metallurgy and Other Modifying Factors*

A Pre-feasibility study for the mining of the Kaapelinkulma deposits is ongoing, the initial version completed on 1 September 2015 returned a positive outcome. The study is being compiled by RungePincockMinarco Limited and is based on the establishment of an open-pit mining operation and the haulage of ore to Dragon Mining's Vammala Plant. The generated Kaapelinkulma Ore Reserves as at 1 September 2015 demonstrated a base case operation.

No assumptions were made regarding metallurgical amenability, however results from completed bench scale test work was included in the Pre-feasibility Study and Dragon Mining has been mining similar deposits near to the Kaapelinkulma deposit since 2009 and has a good knowledge of treating this type of ore through the Vammala Plant.

SVARTLIDEN PRODUCTION CENTRE

The Svartliden Production Centre is located in northern Sweden, 700km north of Stockholm and southwest of the world class Skellefte Mining District.

The broader Svartliden area has been a focus of exploration since the discovery of gold bearing boulder samples in the 1980´s. The Svartliden gold deposit was discovered in 1995 and Dragon Mining acquired its initial interest in the project in 1999. The company now holds a 100% interest in the Svartliden Production Centre, which compromises the Svartliden Plant, a 300,000 tonnes per annum conventional carbon in leach circuit, the Svartliden Gold Mine and the advanced Fäboliden Gold Project.

Svartliden was brought into production in March 2005 and represents the first integrated mine and treatment plant to be developed under the new Swedish Environment and Mining Acts. At the end of processing ore from the Svartliden Gold Mine, 377,965 ounces of gold had been produced. Subsequent to this, the Svartliden Plant has been utilised to process gold concentrates from the Vammala Production Centre and third party supplies.

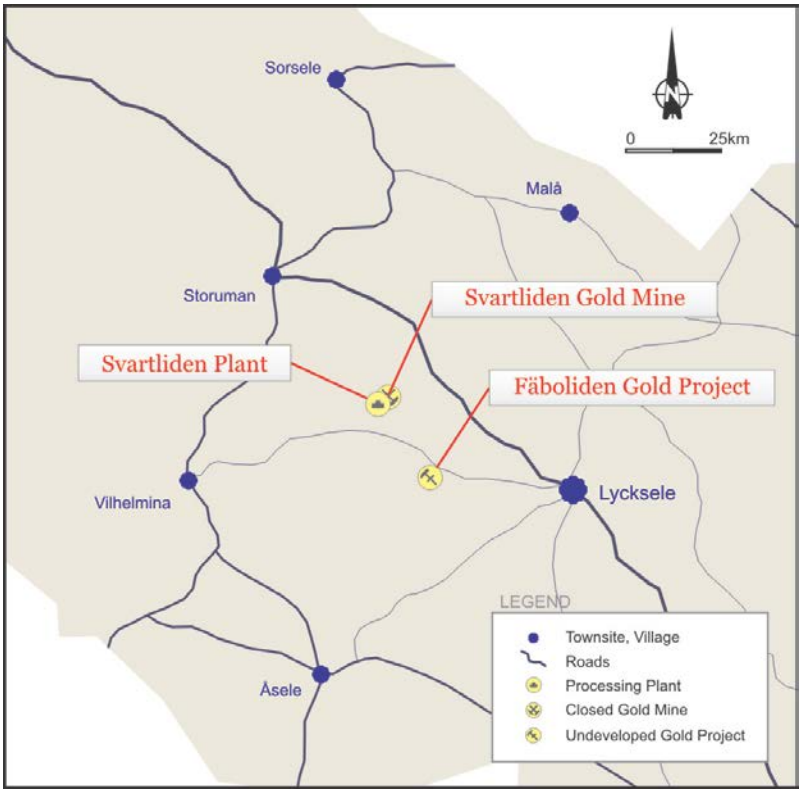

Figure 3 – Svartliden Production Centre

Fäboliden Gold Project

The updated Mineral Resources for the Fäboliden Gold Project ("Fäboliden") totals 10,632,000 tonnes grading 3.0 g/t gold for 1,019,000 ounces, representing material above the 350m RL that is reported at a cut-off grade of 1.25 g/t gold and below the 350 mRL at a cut-off grade of 2.10 g/t gold.

Table 5 - Mineral Resource estimates for the Fäboliden Gold Project as at 31 December 2016. Mineral Resources for material above 350 mRL is reported at a cut-off of 1.25 g/t gold and for material below 350 mRL reported at a cut-off grade of 2.10 g/t gold. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Fäboliden Gold Project												
Above 350 mRL	-	-	-	3,807,000	2.8	340,000	887,000	2.4	69,000	4,694,000	2.7	409,000
Below 350 mRL	-	-	-	961,000	3.1	96,000	4,978,000	3.2	514,000	5,938,000	3.2	609,000
Total	-	-	-	**4,768,000**	**2.8**	**436,000**	**5,864,000**	**3.1**	**583,000**	**10,632,000**	**3.0**	**1,019,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

The update returned a 54% increase in tonnes and a 37% increase in ounces when compared to the Fäboliden Mineral Resource as at 1 September 2015 of 6,900,000 tonnes grading 3.3 g/t gold for 743,000 ounces. The increases are the result of the applying new reporting cut-off grades, which were estimated using costs and recoveries from the updated and ongoing Fäboliden Pre-Feasibility study and a gold price extrapolated for the potential economic extraction of the resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

The Mineral Resource is defined over a strike length of 1,295 metres and includes a 665 metre vertical extent from 485mRL to -180mRL. Material classified as Measured and Indicated in the updated Mineral Resource for the Fäboliden deposit accounts for 43% of the total ounces (50% - 1 September 2015) and occurs over a vertical extent of 225 metres from 485 mRL to 260 mRL. The Inferred material extends from the 485 mRL to the -180 mRL.

Fäboliden is an advanced gold project located 40 kilometres west of the regional centre Lycksele in northern Sweden. It represents a potential source of gold bearing material that could be trucked to, and processed at the Svartliden Plant, 30 kilometres by road to the northwest.

The Fäboliden project covers an area of 2,195.81 hectares and comprises the Fäboliden K nr 1 Exploitation Concession that hosts the Fäboliden Gold Deposit and three contiguous Exploration Permits that encompass ten kilometres strike length of the host geological sequence. The Fäboliden deposit is an orogenic gold deposit, with mineralisation hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids.

Svartliden Gold Mine

The updated Mineral Resources for the Svartliden Gold Mine ("Svartliden") totals 489,000 tonnes grading 3.7 g/t gold for 59,000 ounces, representing open-pit and underground material that is reported at a cut-off grade of 1.0 g/t gold and 1.7 g/t gold, respectively.

The update yielded a 28% increase in tonnes and a 15% increase in ounces when compared to the total Mineral Resource as at 31 December 2013 of 382,000 tonnes grading 4.2 g/t gold for 51,300 ounces, as announced to the ASX on the 18 March 2014 – Mineral Resources For The Finland and Sweden Production Centres Updated. The increases are the result of applying new reporting cut-off grades, which were estimated using updated estimates for mining costs and a gold price extrapolated for the potential economic extraction of the open-pit and underground resource at a level approximating 125% of the spot gold price of US$1,500 per ounce.

Table 6 - Mineral Resource estimates for the Svartliden Gold Mine as at 31 December 2016. Mineral Resources for Open-Pit material is reported at a cut-off of 1.00 g/t gold and for underground material reported at a cut-off grade of 1.70 g/t gold.

	Measured			Indicated			Inferred			Total		
	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces	Tonnes	Gold (g/t)	Ounces
Svartliden Gold Mine												
Open-Pit	83,000	3.1	8,000	160,000	3.0	16,000	-	-	-	244,000	3.0	24,000
Underground	36,000	4.3	5,000	150,000	4.6	22,000	60,000	4.0	8,000	245,000	4.4	35,000
Total	**119,000**	**3.4**	**13,000**	**311,000**	**3.8**	**38,000**	**60,000**	**4.0**	**8,000**	**489,000**	**3.7**	**59,000**

Note: Resources may not sum to equal totals due to rounding. Mineral Resources reported on a dry in-situ basis.

The Mineral Resource is defined over a strike length of 1,180 metres and includes a 260 metre vertical extent from 465mRL to 205mRL.

The remaining in-situ Mineral Resources comprise well defined zones of gold mineralisation adjacent to and beneath the Svartliden open-pit. The Svartliden deposit has been closed off by drilling at depth and along strike and there is limited scope for the identification of additional Mineral Resources from further drilling in the immediate mine area.

The Svartliden deposit represents an orogenic gold deposit hosted within a Palaeoproterozoic volcano-sedimentary sequence. It is located in northern Sweden, 70 kilometres west of the regional centre of Lycksele. Mining commenced at Svartliden in 2004, initially as an open pit operation, with underground operations commencing in 2011. Open-pit and underground mining were carried out in tandem until the completion of open-pit mining in April 2013. Underground mining was completed by the end of 2013. The Company milled 3.18 million tonnes of ore from the Svartliden Gold Mine grading 4.05 g/t gold producing 377,965 ounces.

Summary of Information Material to Understanding the Reported Mineral Resource Estimates

Fäboliden Gold Project

- *Geology and Mineralisation Interpretation*

The Fäboliden Gold Deposit is located within the Fennoscandian Shield, southwest of the Skellefte District in northern Sweden and is classified as an orogenic gold deposit.

Gold mineralisation at Fäboliden is hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids. The project geology is crosscut by a set of northwest-southeast striking, flat lying undeformed dolerites that are not mineralised.

Gold mineralisation is delineated over a strike length of 1,295 metres (from 7,169,125mN to 7,170,420mN) and includes a 665 metre vertical extent from 485mRL to -180mRL. It represents a multiple tabular style of mineralisation that dips at approximately 55° to the southeast in the southern portion of the deposit to near vertical in the northern portion of the deposit, with the strike of the deposit varying from NNE-SSW in the south to NNW-SSE in the north.

Gold displays strong associations with sulphides and most abundant gangue minerals. Arsenopyrite, boulangerite and pyrrohotite are commonly associated with gold in variably boudinaged quartz and sulphide veins where the gold is found in fractures and as inclusions. Gold is also seen as free grains in the silicate matrix of the host rock with feldspars, quartz and micas common hosts. Gold is generally fine grained ranging from 2µm to 40 µm.

All geological interpretations are based on lithology, alteration and mineralisation observations obtained from drill holes. The interpretation of the extent and geometry of the gold mineralisation is based on gold assays.

- *Drill Information and Sampling*

A total of 367 holes have been completed on the project to date, comprising 67,762.30 metres. The majority of drilling has been undertaken by diamond core methods, with 11 holes completed by reverse circulation (RC) methods. Drill holes used in the Mineral Resource estimate included 206 diamond holes and 8 RC holes for a total of 4,681m within the wireframes.

Historical drilling has been undertaken on a nominal grid spacing of 50 metres by 50 metres for the near surface material, increasing to 100 metres by 100 metres and greater for the depth extensions. The recent drilling completed by Dragon Mining has improved the drill density to a nominal 25 metre by 25 metre and 25 metre by 50 metre basis for the near surface material over a strike length of 400 metres.

Most drill holes were completed perpendicular to the strike of the deposit and drilled at dips between -35° and -75°. A small number of holes were drilled vertically. Historical core predominantly measured 36mm to 39mm (BQ) diameter, more recent historical drilling at 42mm to 49mm (NQ). Core from the Dragon Mining campaign measured 50.5mm (WL-66). Core recovery where measured, has corresponded well with expectations of drilling in unweathered crystalline bedrock.

Historical drill hole collars have been surveyed to the Swedish National Grid system – RT90 2.5 gon väst (standard). A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon Mining has verified the historical coordinates. New drill holes completed by Dragon Mining have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB.

Down hole dip and azimuth deviations of historical holes were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 50% of all holes drilled. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS.

Diamond drilling was logged for a combination of geological and structural attributes. The core has been photographed and measured for RQD and core recovery. All diamond logging data is entered into a Microsoft Excel spread sheet then imported into a Microsoft Access database.

Prior to 1999, the entire core was submitted for crushing and analysis. Since 1999, the previous owners submitted half core samples for analysis. Samples were generally collected on metre intervals, though sample lengths have varied from 0.1 metre to 4.0 metres. Sample preparation was conducted by ALS Minerals in Piteå, Sweden, with sample pulps sent to various laboratories including Boliden Minesite Laboratory, SGS-Filab and ALS Minerals.

Reverse circulation drill hole samples were collected at 1 metre intervals. Samples were collected at the rig and a sub-sample was collected for analysis. Sample preparation was conducted by ALS Minerals in Piteå, Sweden, with sample pulps sent to ALS Minerals in Vancouver, Canada for analysis.

Dragon Mining submitted half core samples to the ALS Minerals facility in Piteå, Sweden for sample preparation and analysis at the ALS Minerals facilities at Loughrea in Ireland for analysis for gold and multi-elements. Samples were generally collected at 1 metre intervals.

- *Sample Preparation and Analysis*

Historical sample preparation was conducted by SGS and ALS Minerals in Piteå, Sweden, with sample pulps sent to Boliden Minesite Laboratory, SGS-Filab and ALS Minerals in Vancouver, Canada for assaying for gold by 30gm or 50gm Fire Assay methods.

Samples are weighed, assigned a unique bar code and logged into the ALS system. The entire sample was dried and crushed to 5mm. The entire sample was then pulverised to better than 85% passing 75 microns using a LM5 pulveriser. The pulverised sample is split with multiple feed in a Jones riffle splitter until a 100 gram sub-sample is obtained for analysis for gold and multi-elements.

Analysis for gold by 50 gram fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Silver was assayed using nitric acid and aqua regia digestion followed by atomic absorption spectrometry. Samples were also assayed by aqua regia digest followed by inductively coupled plasma optical emission spectroscopy for a suite of 33 elements.

Samples from Dragon Mining drilling were submitted to the ALS Minerals facility in Piteå, Sweden for sample preparation. Half-core samples were weighed, assigned a unique bar code and logged into the ALS system. The entire sample was dried and crushed to 5mm. A sub-sample of the crushed material was then pulverised to better than 85% passing 75µm using a LM5 pulveriser. The pulverised sample was split with multiple feed in a Jones riffle splitter until a 100-200g sub-sample was obtained. The sub-sample was dispatched to the ALS Minerals facilities at Loughrea in Ireland for analysis for gold by 30g Fire Assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Samples with gold values greater than 5 g/t gold were re-analysed using 30g Fire Assay methods with gravimetric finish.

The previous owners implemented a program of inserting certified reference materials representing six different standards ranging in grades from 0.43 g/t to 9.64 g/t gold in 2005. Insertion was completed at a rate of approximately 1 for every 188 samples submitted. Blank samples were inserted at a rate of 1 in 20 samples. The samples were submitted by the laboratory on behalf of the previous owners and are not considered blind. There was no systematic blind repeat sampling program implemented by the previous owners, the repeat pulp samples submitted being done at a rate of 1 sample for every 49 samples. No coarse duplicates samples were submitted by the previous owner.

QAQC protocols were stringently adhered to throughout the duration of the drilling program undertaken by Dragon Mining. Dragon Mining included a certified reference standard, blank and pulp duplicate on a 1 in 20 basis. Analysis on coarse crush duplicates were undertaken at an umpire facility (Actlabs – Ancaster, Ontario and Kamloops, British Columbia) on a 1 in 10 basis. Dragon Mining also re-assayed a serious of sample pup and coarse rejects from historical drilling. The primary laboratory, ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run.

- *Estimation Methodology and Classification*

The Mineral Resource estimate was finalised by independent mining consultants, RungePincockMinarco in Western Australia and Hong Kong and was reported in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Samples were composited to 1m based on an analysis of sample lengths inside the wireframes. High grade cuts were applied to the data based on statistical analysis of individual lodes and ranged between 15 g/t to 40 g/t gold.

A Surpac block model was used for the estimate with a block size of 10m NS by 5m EW by 5m vertical with sub-blocks of 2.5m by 1.25m by 1.25m. This was selected as the optimal block size as a result of kriging neighbourhood analysis (KNA).

Ordinary kriging (OK) grade interpolation was used for the estimate, constrained by Mineral Resource outlines based on mineralisation envelopes prepared using a nominal 0.5 g/t gold cut-off grade for low grade and 1.3 g/t gold for high grade, with a minimum down-hole length of 2 metres. Three passes were used to estimate the blocks in the model and more than 95% of blocks were filled in the first two passes.

Bulk densities ranging between 1.8t/m^3 and 2.97t/m^3 were assigned in the block model dependent on lithology and weathering.

The Mineral Resource was classified as an Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 50m by 50m. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 50m by 50m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.25g/t gold cut-off grade above the 350mRL (open pit material), and at 2.10g/t gold below the 350Mrl (underground material). The cut-off grades were estimated using the following parameters, which are based on a gold price extrapolated for the potential economic extraction of a resource approximating 125%

of the spot gold price, updated and ongoing Fäboliden Pre-Feasibility Study costs and recoveries for open pit mining and potential costs and recoveries for underground mining, as outlined below:

- Gold price of US$1,500 per ounce;
- Mining cost of US$28.12 per tonne of ore for the open pit, and a mining cost of US$37.15 per tonne of ore for the potential underground;
- Processing cost of US$42.01/t of ore; and
- Processing recovery of 82%.

- *Mining, Metallurgy and Other Modifying Factors*

A Pre-feasibility study for the mining of the Fäboliden Gold Project is ongoing, the initial version completed on 1 September 2015 returned a positive outcome. The study is being compiled by RungePincockMinarco and was based on the establishment of a multiple open-pit mining operation and the haulage of ore to Dragon Mining's Svartliden Plant. The Fäboliden Ore Reserves demonstrated a base case operation.

Historic metallurgical test work completed by the previous owners focussed on their preferred flow sheet proposal comprising a flotation circuit and cyanide leaching of concentrates. Metallurgical test work directed to leaching of whole rock material was limited, the work that was completed indicated that gold extraction levels were related to grind size.

Dragon Mining submitted a representative historic drill core samples from the near surface higher grade zone at Fäboliden, to ALS Metallurgy in Perth for bench scale comminution and leaching test work, using process parameters from Svartliden as reference. The test work program was managed by independent consultants Minnovo Pty Ltd, Perth.

The comminution results showed moderate hardness and abrasion, with a bond ball mill work index of 15.3 kWh/t and an abrasion index of 0.2614. These results were not significantly dissimilar to those of earlier test work programs completed by the previous owner. Modelling of the Svartliden mill based on the obtained parameters showed that for a grind size of P_{80} 53 µm, a throughput range of 33 to 42 t/hr should be achievable. Similarly, for a grind size of P_{80} 106 µm a throughput range of 46 to 53 t/h should be achievable.

Contrary to the results of the historic leach test work, the new leach test work program did not show a strong correlation between grind sizes and leach extraction with extraction levels ranging from 70.3% to 84.4%. All tests completed displayed relatively fast leaching, with approximately 97% of the final gold extraction being achieved after 16 hours. Cyanide and lime consumption were moderate at approximately 1.0 kg/t and 0.3 kg/t, respectively.

Minnovo commented that the initial leach test conducted at P_{80} 53 µm, which returned a gold extraction level of 84.43% appeared to be anomalous as the subsequent tests undertaken at this grind size failed to replicate the initial result. It was thus concluded that at the minimum grind size (P_{80} 53 µm) considered achievable when processing at Svartliden, that gold extraction levels exceeding approximately 75% are unlikely for material from Fäboliden.

During the due diligence period, Dragon Mining also carried out a full scale production test of approximately 1,000 tonnes of higher grade gold bearing material from Fäboliden at the Svartliden Plant. This material was excavated during the previous owner's 2005 test mining and processing program and stockpiled at surface. The production test confirmed the results of the new bench scale leach test work, yielding a head grade of 3.02 g/t gold and a gold extraction level of 79.4%.

A second phase of bench scale metallurgical test work was successfully completed. Representative material from Fäboliden returned gold recoveries of 83%, higher than that obtained in earlier test work programs. Gravity regrind tests resulted in a 3% increase in recovery to 86%. However, it was elected to use a recovery level of 82% for direct ore leach without gravity regrind in the cut-off grade analysis.

The test work program was conducted to assess the possibility of increasing recovery from material at Fäboliden by producing a high-sulphur gravity concentrate for regrind and intensive leaching. The test work was undertaken at the SGS Australia's facility in Malaga, Western Australia, on representative samples from the planned southern open-pit area at Fäboliden. It follows on from extensive flotation test work undertaken by the previous owners of the project and an initial phase of metallurgical bench scale test work and a 1,000 tonne production test by Dragon Mining in 2014.

In summary, the new test work has shown that:

- Comminution results yielded moderate levels for abrasion and hardness with an Abrasions Index of 0.239 and Ball and Rod Mill Work Indices of 14.8kWh/t and 18.4 kWh/t respectively. Values for abrasion and hardness are similar to levels obtained in previous test work;
- Diagnostic leaching returned values similar to those in previous test work, with the master composite showing approximately 80% of the gold available for cyanide leaching at a grind P_{80} of 75 µm;
- Whole ore leaching on variability samples returned overall gold extraction levels at 83%, higher than obtained in previous test work. Cyanide and lime consumption were moderate at approximately 0.7 kg/t and 0.4 kg/t, respectively; and
- Gravity regrind tests resulted in a 3% recovery increase to 86%, compared with the standard whole ore leach test.

Svartliden Gold Mine

- *Geology and Mineralisation Interpretation*

Svartliden is an epigenetic lode style gold deposit located in northern Sweden. The gold mineralisation, dominantly hosted by a volcano-sedimentary sequence, is structurally controlled and occurs along an east-northeast trending steeply dipping shear zone. The gold mineralisation is hosted by banded iron formation (BIF) located on the contact between one of the sediment bodies and one of the metabasalts. Gold is associated with arsenopyrite and pyrrhotite.

The current interpretations of the gold lodes are based on gold assays.

- *Drill Information and Sampling*

The various mineralised lodes at the Svartliden deposit were sampled using surface and underground diamond drill holes, surface reverse circulation holes, production grade control and sludge holes. Production grade control and sludge holes were drilled at 5-8m spacings on 8-12.5m spaced cross sections. Holes in the deeper area were generally drilled at section spacings of approximately 25m and hole spacings of 20m to 30m down dip.

Reverse circulation holes make up 79% of the total holes drilled and a face sampling bit was used. The majority of drilling below the pit is diamond using WL-66 diameter core. Sludge drilling was used for underground production drilling.

Exploration diamond core is cut in half using a core saw with half core submitted for assay. In some cases, quarter core is sent for analysis. Whole core is sent for analysis from underground diamond grade control drilling.

Reverse circulation drill samples were collected at 1m intervals. Samples were collected at the rig and split using a riffle splitter.

Sludge drill holes are drilled with Solo rig, diameter of holes is 64mm. Slurry runs via a dedicated pipeline to a plastic bucket. After mixing slurry, a sample is collected in a bag. Sample length is 1.5m (length of a rod). After each sample (rod), the hole is washed thoroughly with water to minimize contamination.

- *Sample Preparation and Analysis*

The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). Values exceeding 1ppm gold (prior to 2009) and 5ppm gold (from 2009) were checked using Fire-Assay with gravimetric finish. The main element assayed was gold, but major and trace elements were analysed on selected drill holes.

- *Estimation Methodology and Classification*

The Ordinary Kriging (OK) algorithm for grade interpolation was used, constrained by boundaries based on mineralised envelopes constructed at a 1.3 g/t gold cut-off grade. Samples within the wireframes were composited to 1.0m intervals. High grade cuts of 60g/t gold was applied to underground material. A high grade cut of 30 g/t gold was applied to open-pit material to be consistent with mine geology practices. The estimate is based on a block size of 2m NS by 10m EW by 10m vertical, with sub-blocks of 0.5m by 2.5m by 2.5m. A bulk density value of 3.08t/m^3 was assigned to all lithologies.

Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The estimate was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive open pit or underground level development and grade control drilling. The Indicated portion of the estimate included areas where the drill spacing was less than 25m by 25m and lode continuity was good. The remainder of the deposit defined by drilling at greater than 25m spacing and where lode continuity was less certain was classified as Inferred Mineral Resource.

The Mineral Resource has been reported at a 1.0 g/t gold cut-off for open pit material and 1.7 g/t gold cut-off for underground material, based on assumptions made by Dragon Mining regarding the economic cut-off grades for open pit and underground mining at the Svartliden mine. These were defined from information obtained from recent studies undertaken for the Fäboliden Gold Project and using a gold price of US$1,500 per ounce.

- *Mining, Metallurgy and Other Modifying Factors*

The Svartliden deposit has recently been mined using open pit and underground methods. Mining ceased in November 2013.

The cessation of mining was an economic decision by the operator; however it is the opinion that there is a possibility that the defined Mineral Resource could be economically extracted under different financial constraints, as it has been in the recent past.

No assumptions regarding metallurgical amenability were made, however Dragon Mining has been mining the Svartliden deposit since 2005 and has a good knowledge of processing this ore.

For and on behalf of
Dragon Mining Limited

Competent Persons Statements

The information in this report that relates to Mineral Resources for the Orivesi Gold Mine, Jokisivu Gold Mine, Kaapelinkulma Gold Project, Fäboliden Gold Project and the Svartliden Gold Mine is based on information compiled or supervised by Mr. Jeremy Clark who is a full-time employee of RungePincockMinarco Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Mr Clark has provided written consent for the inclusion in the Report of the matters on his information in the form and context in which it appears.

Reporting of the Mineral Resources estimate complies with the recommended guidelines of the JORC Code and is therefore suitable for public reporting.

The information in this report that relates to Mineral Resources dated 1 September 2015 for the Orivesi Gold Mine, Jokisivu Gold Mine and Kaapelinkulma Gold Project were previously released to the ASX on the 29 February 2016 – Dragon Group Mineral Resources Updated. This release can be found at www.asx.com.au (Code:DRA). It fairly represents information and supporting documentation that was compiled or supervised by Mr. Jeremy Clark who is a full-time employee of RungePincockMinarco Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy. Mr. Jeremy Clark has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity that being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Written consent was previously provided by Mr. Jeremy Clark for the 29 February 2016 release.

The information in this report that relates to Mineral Resources dated 1 September 2015 for the Fäboliden Gold Project was previously released to the ASX on the 31 December 2015 – Maiden Mineral Resource for Fäboliden Gold Deposit, which can be found at www.asx.com.au (Code:DRA). It fairly represents information and supporting documentation that was compiled or supervised by Mr. Jeremy Clark, who is a full time employee of RungePincockMinarco Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition. Written consent was previously provided by Mr. Jeremy Clark for the 31 December 2015 - Maiden Mineral Resource for Fäboliden Gold Deposit release.

The information in this report that relates to the Mineral Resource for the Svartliden Gold Mine dated 31 December 2013 was previously released to the ASX on 18 March 2014 – Mineral Resources for the Finland and Sweden Production Centres Update. This release can be found at www.asx.com.au (Code:DRA). It fairly represents, information and supporting documentation that was prepared by Mr. Trevor Stevenson, a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional (Geology), who is a former employee of RungePincockMinarco Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. Trevor Stevenson for the 18 March 2014 – Mineral Resources for the Finland and Sweden Production Centres Update release.

Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resources dated 1 September 2015 and 31 December 2013 are presented in this report have not been materially modified and are consistent with the 29 February 2016, 31 December 2015 and 18 March 2014 releases. Mr. Neale Edwards has provided written consent approving the use previously reported Mineral Resources in this report in the form and context in which they appear.

The information in this report that relates to previous Exploration Results fairly represents information and supporting documentation that was previously compiled by Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full time employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, confirms that the form and context in which the previous Exploration Results are presented in this report have not been materially modified. Mr. Neale Edwards has provided written consent approving the inclusion of the previous Exploration Results in the report in the form and context in which they appear.

APPENDIX 1 – JORC Table 1

Orivesi Gold Mine - Kutema Deeps

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The various mineralised lodes at the Kutema deposit were sampled using surface and underground diamond drill holes ("DD") and underground production 'soija' ("sludge") holes. Production grade control drilling was undertaken at 4m intervals along development drives, whilst DD holes were drilled at variable spacing's but averaged 10-30m spacing in the central portions of the deposit around the underground development, increasing to 30-60m above and below the current working levels. Drill holes were surveyed on the local mine grid. Drill holes used in the estimate included 738 surface and underground diamond holes and 4,696 underground production 'soija' (sludge) drill holes for a total of 47,915m within the resource wireframes. The supplied Orivesi database contained a total of 7,467 records for 192,579m of drilling. The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the sub-vertical mineralised zones. All drill hole collar co-ordinates in the Mineral Resource have been accurately surveyed by qualified mine surveyors and tied into the local mine grid. Down hole surveys were undertaken on all exploration and resource development holes, however the majority of historic holes only have dip data with nominal azimuth readings. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment and Northdrill Oy using DeviFlex. Drilling was conducted by Lohja, Outokumpu and Dragon Mining. Diamond drilling by Lohja and Outokumpu used 45mm diameter core (T56) with sampling at varying intervals based on geological boundaries. Lohja used mainly VTT Laboratory in Finland for assaying. In 1992-2003 (Outokumpu), sample preparation and analysis were undertaken at the local independent laboratory (GAL and later VTT) in the town of Outokumpu using Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon Mining used 39mm, 40.7mm and 50mm core diameter (WL-56, BQTK and NQ2) with sampling and analysis as described above for Outokumpu drilling. In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Minerals laboratories.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond and sludge drilling were the primary techniques used at Kutema. Sludge drilling makes up 82% of the total holes drilled with depths ranging from 1m to 40.5m. Diamond holes make up 13% of the total holes drilled with core diameters varying from 39mm to 45mm. Hole depths range from 10m to 566.5m.
Drill sample recovery	• *Method of recording and assessing core and chip*	Recoveries from diamond core were recorded in the supplied database. Core was orientated with an

Criteria	JORC Code Explanation	Commentary
	sample recoveries and results assessed. • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	average core recovery of >99%. Lost core was also routinely recorded. Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. No major recovery problems were encountered with sludge drilling which has been routinely applied for almost 20 years at Orivesi. No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by percussion and diamond core (13% of drill holes within the wireframes) with good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were site logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information recorded for alpha/beta angles, dips, azimuths, and true dips. Specific indicator minerals and the amount and type of ore textures and ore minerals were also recorded within separate tables. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon Mining (since 2001), that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Diamond full-core is usually submitted for sample preparation and assay. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis. Sampling of diamond core uses industry standard techniques. Core sampling was undertaken at intervals from 0.3m to 2.5m based on geological boundaries with the average sample length being around 1.5m. Whole core was generally sent for analysis, although some half core sampling has been carried out. At Orivesi, sludge drill holes were drilled with a Solo rig, with a hole diameter of 64mm. Sludge drill holes are perpendicular to the strike of the lodes, with the dip of sludge drill holes is usually 30-80 degrees upwards. The slurry runs via a pipeline to a plastic bucket. After thorough mixing, a sample is collected into a sample bag with a sample length of 1.5m. After each sample is collected, the hole is washed with water to minimise contamination. This kind of sludge drilling has been routinely and successfully applied almost 20 years at Orivesi. Samples are dried at the ALS facility, and weight of a dry sample is 3 kg, on average. Standards and systematic duplicates are not included in the batches of sludge samples. Samples are assayed in ALS Minerals using Au_AA25 method, values exceeding 50 g/t gold are checked with Au_GRA21. Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is

Criteria	JORC Code Explanation	Commentary
		submitted as a standard, and every 20th sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89). Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Samples were assayed by GAL or VTT Laboratories in Outokumpu. The whole pulverised core was assayed for gold via Fire Assay using a 40g charge with gravimetric finish using standard methods. In addition to gold, some mineralised sections were analysed for a number of other elements including tellurium and bismuth. From 2006, all samples were shipped to ALS Minerals (Perth, Australia or more recently Rosia Montana, Romania) for Fire Assay determination (30g subsample) with AAS finish. Recently, for samples returning values above 5ppm gold, a 50g Fire Assay with GRA finish was used. No geophysical tools were used to determine any element concentrations used in this Mineral Resource estimate. Prior to 2004, QAQC programs were restricted to analysis of 41 duplicate samples from drill holes KU-803 to KU-805. Since 2004, a more expansive QAQC program was implemented consisting of systematic duplicate and standard sampling. The program included inserting a duplicate sample every 20th sample and also inserting a standard sample for every 20th sample. ALS Minerals report their internal QAQC results for review by Dragon Mining personnel. Constant monitoring of the standard and duplicate results has been undertaken by Dragon Mining site geologists. The results are considered acceptable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon Mining core yard during the 2015 site visit. There has been no specific drill program at Kutema designed to twin existing drill holes. Primary data is documented on paper logs prior to being digitised using Drill Logger software. Dragon Mining adjusted zero gold grades to half the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment and Northdrill Oy using DeviFlex. A local mine grid system was used for the Kutema drilling and Mineral Resource estimate. A topographic surface was not utilised for the Kutema

Criteria	JORC Code Explanation	Commentary
		block model. The Mineral Resource is confined to the material approximately 720m below the natural topographic surface.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Production grade control drilling was undertaken at 4m intervals along development drives, whilst diamond core holes were drilled at variable spacing's but averaged around 10-30m spacing in the central portions of the deposit around the underground development, increasing to 30-60m above and below the current working levels. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1.5m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The majority of drill holes are underground drill holes and orientated predominantly to an azimuth of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut either by Dragon Mining personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The Orivesi Mining Concession covers both the Kutema and Sarvisuo deposits, which Dragon Mining is actively mining. Mining Concession 'SERI' (K2676, 39.82 ha). Exploration Licence 'Sarvisuo1-2' (ML2013:0006, 41.86 ha) and Claim 'Yläinensilmäke' (9245/1, 10.26 ha) are valid. Exploration Licence 'Sarvisuo3' (ML2015:0026, 56.56 ha) has been approved by the Finnish mining permit consideration authority (TUKES) but is subject to an appeal period.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The gold potential of the area was recognized in the early 1980's as a result of litho-geochemical research work carried out by the Department of Geology, University of Helsinki. Lohja Ab explored the area for gold until 1990 when Outokumpu acquired the property. After a feasibility study was completed,

Criteria	JORC Code Explanation	Commentary
		Outokumpu commenced gold production in 1994 based on the estimated ore reserves for the Kutema deposit of 360,000 tonnes at 7g/t gold. Between 1994 and December 2003 the mine produced 1.7Mt of ore grading 9.4g/t gold (422,600 ounces) from the Kutema Lodes.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Kutema and Sarvisuo deposits are Palaeoproterozoic metamorphosed and deformed paleo-epithermal gold deposits in the Tampere Schist Belt (TSB). The area is dominated by intermediate, often massive, plagioclase porphyritic metatuffs of dacitic, trachydacitic and andesitic composition. The mineralisation is associated with the Kutema alteration zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold deposit. The mine is located at the south-western edge of the altered metavolcanic sequence. The Kutema lodes occur as sub-vertical pipe-like structures with extensive vertical continuity.

Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		The Kutema Deeps deposit is part of Orivesi. Recent drilling at the deposit was primarily underground diamond 'fan' drilling. No exploration results are being reported.
		
		Orivesi has been operating since 1994. In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	The majority of drill holes are underground drill holes and orientated predominantly to an azimuth of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced	• *Accuracy and quality of surveys used to locate drill*	Drill hole collars and starting azimuths have been

Criteria	JORC Code Explanation	Commentary
Reporting	*holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment and Northdrill Oy by DeviFlex. Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Comprehensive wall and face sampling of development drives is undertaken by Dragon Mining geologists. Results are used to update the resource wireframes but are not incorporated into the Mineral Resource estimate.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mine development is ongoing. Dragon Mining is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Drilling data is initially captured on paper logs and manually entered into a database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. During recent drill programs, logging data has been recorded in a customised Excel spreadsheet and imported into an Access database. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on*	The confidence in the geological interpretation is considered good and is based on previous mining history and visual confirmation in underground walls and faces. Drill hole logging by Dragon Mining geologists, through direct observation of drill core samples has

Criteria	JORC Code Explanation	Commentary
	Mineral Resource estimation. • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	been used to interpret the geological setting. The bedrock is exposed at surface. The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced underground drilling and face and wall sampling suggest the current interpretation is robust. The nature of the pipe-like structures would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within the Kutema alteration zone. The lodes occur as sub-vertical pipe-like structures with extensive vertical continuity. The current interpretations are mainly based on gold assay results. Gold mineralisation is related to strongly deformed and silicified zones characterized by shearing, boudinaging, folding and quartz veining during syn- to late-stage deformation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Kutema Deeps Mineral Resource area extends over a strike length of 110m (from 10,805mE – 10,915mE), has a maximum width of 60m (from 5,540mN to 5,500mE) and includes the 600m vertical interval from -700mRL to -1,300mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. As shown by Dragon Mining's 8 years of mining experience at Orivesi (Kutema and Sarvisuo deposits), inverse distance provides a robust estimate of grade that reconciles well with production data. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and reviewed by RPM) were used to domain the gold data. Sample data was composited to 1.5m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 25m. No assumptions have been made regarding recovery of by-products from the mining and processing of the Kutema gold resource. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. The model interpolation was divided above and below the -700mRL due to the change in orientation of the main mineralised lode at this level. Above -700mRL, a first pass search radius of 25m was used based on the drill spacing. The search radius was increased to 60m for the second pass. More than 99% of the blocks were filled by the first pass above -700mRL. Below -700mRL, a first pass radius of 25m and a second pass of 60m were used with a minimum number of samples of 10 and 4 respectively. Only

Criteria	JORC Code Explanation	Commentary
		mineralisation below the -720mRL has been reported in this report. Mineral Resource estimates for the Kutema deposit have previously been reported by RPM, with the earliest reported in August 2007. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent underground diamond drilling. The Kutema Deeps deposit forms part of Orivesi. Dragon Mining supplied RPM with stope and drift outlines which were used to deplete the current model. No assumptions were made regarding the recovery of by-products. The parent block dimensions used were 5m NS by 10m EW by 10m vertical with sub-cells of 1.25m by 2.5m by 2.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. Selective mining units were not modelled. Only gold assay data was available, therefore correlation analysis was not carried out. From the interpretations provided, it appears that a combination of gold grade, lithology and structure has been used to define the margins of the mineralised zones based on a nominal 0.6-1.0g/t gold cut-off. The wireframes were applied as hard boundaries in the estimate. Statistical analysis was carried out on the composited data. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top cuts were required if linear grade interpolation was to be carried out. A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the mineralised wireframes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 3.85g/t gold cut-off grade. The cut-off grade was estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Orivesi actual operational costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$111/t of ore;

Criteria	JORC Code Explanation	Commentary
		- Processing cost of US$25.42/t of ore; and - Processing recovery of 82.7%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	The Kutema Deeps deposit is currently being mined using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. Ore from Orivesi is processed at the Vammala Plant through a conventional flotation and gravity circuit plant. Only the flotation circuit is used for the Kutema and Sarvisuo ore due to the fine-grained gold.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	A bulk density value of 2.80t/m^3 was assigned to all material (ore and waste) based on 87 core measurements and almost 20 years of mining experience at Orivesi (Kutema and Sarvisuo deposits). Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are minimal void spaces in the rocks at Kutema. All material at the Kutema deposit is fresh rock and has been assigned the value of 2.80t/m^3.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive underground level development and sludge drilling. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity

Criteria	JORC Code Explanation	Commentary
		and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Kutema Deeps Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground development drives, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining has been mining the Kutema deposit for many years and has a good understanding of the geology and mineralisation controls. The Mineral Resource statement relates to global estimates of tonnes and grade. Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

APPENDIX 2 – JORC Table 1

Orivesi Gold Mine - Sarvisuo

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure*	The various mineralised lodes at the Sarvisuo deposit were sampled using surface and underground diamond drill holes ("DD"), surface reverse circulation holes ("RC"), underground production 'soija' ("sludge") holes, and surface trench sampling. Production 'soija' (sludge) drilling was undertaken at 4m intervals along development drives, whilst DD holes were drilled at variable spacing's but averaged 10-30m spacing in the central

Criteria	JORC Code Explanation	Commentary
	sample representivity and the appropriate calibration of any measurement tools or systems used. • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	portions of the deposit around the underground development, increasing to 30-60m above and below the current working levels. Drill holes were surveyed on the local mine grid. Drill holes used in the resource estimate included 339 surface and underground diamond holes, 1,947 underground production 'soija' (sludge) drill holes and 2 reverse circulation holes for a total of 14,089m within the resource wireframes. The supplied database contained a total of 6,224 records for 171,371m of drilling. The majority of holes were drilled from underground towards grid north and angled in 'fans' to optimally intersect the sub-vertical mineralised zones. All drill hole collar coordinates in the Mineral Resource have been accurately surveyed by qualified mine surveyors and tied into the local mine grid. Down hole surveys were undertaken on all exploration and resource development holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment and Northdrill Oy using DevifFlex. Drilling was conducted by Outokumpu and by Dragon Mining. Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76, NQ2 or T56) with sampling at varying intervals based on geological boundaries. Half split or full core was sampled and sent for preparation (crushing and pulverising). Sample preparation was undertaken at the local independent laboratory in the town of Outokumpu. Pulverised samples were sent to laboratories: GAL, VTT, GTK, ACME and ALS, all used Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon Mining used 50mm core diameter (NQ2) with sampling and analysis as described above for Outokumpu drilling. In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Minerals laboratories.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond or sludge drilling were the primary techniques used at Sarvisuo. Sludge drilling makes up 70% of the total holes drilled with depths ranging from 3m to 31.5m. Diamond holes make up 10% of the total holes drilled with core diameters varying from 45mm to 62mm. Hole depths range from 26m to 515m. Two RC holes were also included in the resource, for a total of 8m inside the mineralisation wireframes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Recoveries from diamond core were recorded in the supplied database. Core was orientated with an average core recovery of 98%. Lost core was also routinely recorded. Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. No major recovery problems were encountered with sludge drilling which has been routinely applied for almost 20 years at Orivesi. No relationship was noted between sample recovery and grade. The mineralised zones have

Criteria	JORC Code Explanation	Commentary
		predominantly been intersected by percussion and diamond core (21% of drilled metres within the resource wireframes) with good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were site logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information recorded for alpha/beta angles, dips, azimuths, and true dips. Specific indicator minerals and the amount and type of ore textures and ore minerals were also recorded within separate tables. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon Mining (since 2001), that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Diamond full-core is usually submitted for sample preparation and assay. In some cases, core is cut in half or quarter using a core saw with half or quarter core is sent for analysis. Sampling of diamond core uses industry standard techniques. Core sampling was undertaken at intervals from 0.3m to 2.5m based on geological boundaries with the average sample length being around 1.5m. Whole core was generally sent for analysis, although some half core sampling has been carried out. At Orivesi, sludge drill holes were drilled with a Solo rig, with a hole diameter of 64mm. Sludge drill holes are perpendicular to the strike of the lodes, with the dip of sludge drill holes is usually 30-80 degrees upwards. The slurry runs via a pipeline to a plastic bucket. After thorough mixing, a sample is collected into a sample bag with a sample length of 1.5m. After each sample is collected, the hole is washed with water to minimise contamination. This kind of sludge drilling has been routinely and successfully applied almost 20 years at Orivesi. Samples are dried in ALS lab, and weight of a dry sample is 3 kg, in the average. Standards and systematic duplicates are not put to the batches of sludge samples. Samples are assayed at ALS Minerals using Au_AA25 method, values exceeding 50g/t gold are checked with Au_GRA21. In 2015, Activation Laboratories Ltd. (Actlabs) in Canada have been used in sludge hole assaying, with sample preparation conducted at CRS Minlab Oy in Finland (particularly -710mRL samples). All samples with Actlabs code 1A2-ICP analysed using a 30g sub-sample for FA+ICP for gold between 0.01g/t to 50g/t. Over 50g/t gold samples were analysed with gravimetric analysis (code 1A3, 30g sub-sample). Total sulphur assayed (code 4F-S). Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89).

Criteria	JORC Code Explanation	Commentary
		Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	From 1992-2002, the Geoanalytical Laboratory in Outokumpu was responsible for all assaying. The whole pulverised core was assayed for gold via Fire Assay using a 40g charge with gravimetric finish using standard methods. From 2002-2003, analysis for gold was undertaken by GTK (50g sub-sample / Pb Fire-Assay / FAAS determination). In addition to gold, some mineralised sections were also analysed for a number of other elements. From June 2003 to April 2006, all pulverized samples were shipped by DHL to Acme Analytical Laboratories Ltd (Vancouver BC, Canada) for gold analysis (30g sub-sample / Pb Fire-Assay / ICP-ES determination). From 2006, all samples were shipped to ALS Minerals (Perth, Australia or more recently Rosia Montana, Romania) for Fire Assay determination (30g subsample) with AAS finish. Recently, for samples analysing above 5ppm gold, a 50g Fire Assay with GRA finish has been used. Previously, samples exceeding 1g/t or 3g/t gold were re-checked with Fire Assay with GRA finish. The main element assayed was gold, but major and trace elements were analysed on selected drill holes. No geophysical tools were used to determine any element concentrations used in this Mineral Resource estimate. Prior to 2004, QAQC programs were restricted to analysis of 41 duplicate samples from drill holes KU-803 to KU-805. Since 2004, a more expansive QAQC program was implemented consisting of systematic duplicate and standard sampling. The program included inserting a duplicate sample every 20th sample and also inserting a standard sample for every 20th sample. ALS Minerals report their internal QAQC results for review by Dragon Mining personnel. Constant monitoring of the standard and duplicate results has been undertaken by Dragon Mining site geologists. The results are considered acceptable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon Mining core yard during the 2015 site visit. There has been no specific drill program at Sarvisuo designed to twin existing drill holes. Primary data is documented on paper logs prior to being digitised using Drill Logger software. Dragon Mining adjusted zero gold grades to half the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys were conducted by Suomen Malmi Oy (SMOY). Recent drill holes were surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro

Criteria	JORC Code Explanation	Commentary
		equipment and Northdrill Oy using DeviFlex. A local mine grid system was used for the Sarvisuo drilling and Mineral Resource estimate. A topographic surface was not utilised for the Sarvisuo block model. The main mineralised lodes commence approximately 200m below the surface, therefore a topographic surface is not required for the Mineral Resource.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Production grade control drilling was undertaken at 4m intervals along development drives, whilst diamond core holes were drilled at variable spacing's but averaged around 10-30m spacing in the central portions of the deposit around the underground development, increasing to 30-60m above and below the current working levels. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1.5m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The majority of drill holes are underground drill holes and orientated predominantly to an azimuth of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut either by Dragon Mining personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The Orivesi Mining Concession covers both the Kutema and Sarvisuo deposits, which Dragon Mining is actively mining. Mining Concession 'SERI' (K2676, 39.82 ha). Exploration Licence 'Sarvisuo1-2' (ML2013:0006, 41.86 ha) and Claim 'Yläinensilmäke' (9245/1, 10.26 ha) are valid. Exploration Licence 'Sarvisuo3' (ML2015:0026, 56.56 ha) has been approved by the Finnish mining permit consideration authority (TUKES) but is subject to an appeal period.

Criteria	JORC Code Explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The gold potential of the area was recognized in the early 1980's as a result of litho-geochemical research work carried out by the Department of Geology, University of Helsinki. Lohja Ab explored the area for gold until 1990 when Outokumpu acquired the property. After a feasibility study was completed, Outokumpu commenced gold production in 1994 based on the estimated ore reserves for the Kutema deposit of 360,000 tonnes at 7g/t gold. Between 1994 and December 2003 the mine produced 1.7Mt of ore grading 9.4g/t gold (422,000 ounces) from the Kutema Lodes. No mining of the Sarvisuo lodes was carried out during this period except a small-scale test open pit at Sarvisuo NW in 1994.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Kutema and Sarvisuo deposits are Palaeoproterozoic metamorphosed and deformed paleo-epithermal gold deposits in the Tampere Schist Belt (TSB). The area is dominated by intermediate, often massive, plagioclase porphyritic metatuffs of dacitic, trachydacitic and andesitic composition. The mineralisation is associated with the Kutema alteration zone and has been interpreted to represent a metamorphosed and deformed high-sulphidation epithermal gold deposit. The mine is located at the south-western edge of the altered metavolcanic sequence. The Kutema lodes occur as sub-vertical pipe-like structures with extensive vertical continuity.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		The Sarvisuo deposit is part of Orivesi. Recent drilling at the deposit was primarily underground diamond 'fan' drilling. No exploration results are being reported.
		
		The Orivesi mine has been operating since 1994. In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not*	The majority of drill holes are underground drill holes and orientated predominantly to an azimuth of grid north and drilled at various angles in a 'fan' array to optimally intersect the sub-vertical orientation of the mineralised trends.

Criteria	JORC Code Explanation	Commentary
	known').	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment and Northdrill Oy using DeviFlex. Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Comprehensive wall and face sampling of development drives is undertaken by Dragon Mining geologists. Results are used to update the resource wireframes but are not incorporated into the Mineral Resource estimate.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mine development is ongoing. Dragon Mining is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Drilling data is initially captured on paper logs and manually entered into a database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. During recent drill programs, logging data has been recorded in a customised Excel spreadsheet and imported into an Access database. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being

Criteria	JORC Code Explanation	Commentary
		conducted to best industry practice. A site visit was conducted, therefore not applicable.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The confidence in the geological interpretation is considered good and is based on previous mining history and visual confirmation in underground walls and faces. Drill hole logging by Dragon Mining geologists, through direct observation of drill core samples has been used to interpret the geological setting. The bedrock is exposed at surface. The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced underground drilling and face and wall sampling suggest the current interpretation is robust. The nature of the pipe-like structures would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within the Kutema alteration zone. The lodes occur as sub-vertical pipe-like structures with extensive vertical continuity. The current interpretations are mainly based on gold assay results. Gold mineralisation is related to strongly deformed and silicified zones characterized by shearing, boudinaging, folding and quartz veining during syn- to late-stage deformation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Sarvisuo Mineral Resource area extends over a strike length of 280m (from 10,955mE – 11,235mE), has a maximum width of 50m (from 5,525mN to 5,575mN) and includes the 765m vertical interval from -15mRL to -780mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.*	Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. As shown by Dragon Mining's 8 years of mining experience at Orivesi (Kutema and Sarvisuo deposits), inverse distance provides a robust estimate of grade that reconciles well with production data. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and reviewed by RPM) were used to domain the gold data. Sample data was composited to 1.5m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 20m. No assumptions have been made regarding recovery of by-products from the mining and processing of the Sarvisuo gold resource. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. Three passes were used in the estimation. For the main

Criteria	JORC Code Explanation	Commentary
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	lodes, the first pass used a range 30m, with a minimum of 10 samples. For the second pass, the range was extended to 60m, with a minimum of 4 samples. A third pass radius of 200m with a minimum of 2 samples was used to fill the model. A maximum of 40 samples was used for all 3 passes. More than 99% of the blocks were filled in the first two passes. Mineral Resource estimates for the Sarvisuo deposit have previously been reported by RPM, with the earliest reported in November 2004. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent underground diamond drilling. The Sarvisuo deposit forms part of the Orivesi mine. Dragon Mining supplied RPM with stope and drift outlines that were used to deplete the current model. No assumptions were made regarding the recovery of by-products. No non-grade deleterious elements were estimated. The parent block dimensions used were 2m NS by 10m EW by 10m vertical with sub-cells of 0.5m by 2.5m by 2.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. The block model size used in the Mineral Resource estimate was based on drill sample spacing and lode geometry. Selective mining units were not modelled. Only gold assay data was available, therefore correlation analysis was not carried out. From the interpretations provided, it appears that a combination of gold grade, lithology and structure has been used to define the margins of the mineralised zones with no particular cut-off grade and no minimum width. This has resulted in numerous intersections being included in the wireframes where the gold grade is extremely low, and where the intersection length is very small. However, in most cases the minimum grade of 0.5g/t gold was used as a limit value when the envelopes of mineralisation were digitised. The wireframes were applied as hard boundaries in the estimate. Statistical analysis was carried out on the composited data. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top cuts were required if linear grade interpolation was to be carried out. A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the mineralised wireframes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite

Criteria	JORC Code Explanation	Commentary
		grades and the block model grades. No production occurred at Sarvisuo during 2016. As a result, reconciliation was not conducted.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 3.85g/t gold cut-off grade. The cut-off grade was estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Orivesi actual operational costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$111/t of ore; - Processing cost of US$25.42/t of ore; and - Processing recovery of 82.7%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Until recently, the Sarvisuo deposit was mined by Dragon Mining using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. Ore from Orivesi is processed at the Vammala Plant, a conventional flotation and gravity circuit plant. Only the flotation circuit is used for the Kutema and Sarvisuo ore due to the fine-grained gold.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for*	A bulk density value of 2.80t/m^3 was assigned to all material (ore and waste) based on 87 core measurements and almost 20 years of mining experience at Orivesi (Kutema and Sarvisuo deposits). Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are

Criteria	JORC Code Explanation	Commentary
	void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	minimal void spaces in the rocks at Sarvisuo. All material at the Sarvisuo deposit is fresh rock and has been assigned the value of 2.80t/m^3.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive underground level development and sludge drilling. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM, which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Sarvisuo Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground development drives, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining has been mining the Sarvisuo deposit for many years and has a good understanding of the geology and mineralisation controls. The Mineral Resource statement relates to global estimates of tonnes and grade. Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

APPENDIX 3 – JORC Table 1

Jokisivu Gold Mine - Kujankallio Deposit

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The various mineralised lodes at the Kujankallio deposit were sampled using surface and underground diamond drill holes, RC percussion drill holes, and sludge drill holes, surface trench sampling, and face chip sampling from underground development drives. Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Reflex Maxibor or EMS multi-shot equipment, or Devico DeviFlex. Drill samples were taken at geological intervals with average sample lengths of 1m. Face and wall samples were taken from development drives within ore zones. Drilling was conducted by Outokumpu and Dragon Mining. In the 1990s, diamond drilling by Outokumpu used 45mm core diameter (T56) with sampling at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS or ICP finish. Since 2000, diamond drilling by Outokumpu and Dragon Mining used 62mm and 50mm diameter core (T76 or NQ2) with sampling and preparation as described above. In some circumstances drill holes have been sampled using the full-core sample. Sample preparation was undertaken at the local independent laboratory in Outokumpu. Pulverised samples from drilling programs over the period 2000 to mid-2003 were assayed for gold using a 50g Fire Assay with AAS or ICP finish at VTT laboratory (Outokumpu town) and GTK's laboratory (Espoo and Rovaniemi). In addition to gold, some mineralised sections were assayed by ACME Analytical Laboratories (Vancouver, Canada) for a multi-element suite by ICP-MS method. From mid-2003 to 2007, all pulverised sample pulps have been shipped by DHL to ACME Analytical Laboratories (Vancouver, Canada) for gold analysis using a 30g Fire Assay with ICP-ES finish. During this period, all samples exceeding a 1ppm gold value were checked using Fire Assay with gravimetric finish. From the start of 2008 to the end of 2013, analysis of Dragon Mining's pulverised core was completed at ALS Minerals (Rosia Montana, Romania) for gold using a 30g Fire Assay with AAS finish. In 2008, any gold values exceeding 3ppm were checked with Fire Assay using gravimetric finish. In the 2009 grade control program, gold values in diamond core and percussion samples in excess of 5ppm and 50ppm respectively were checked using Fire Assay with gravimetric finish. In 2014, full core from infill drilling was submitted to ALS Minerals, whilst half core was submitted from surface exploration holes.
Drilling	• *Drill type (eg core, reverse circulation, open-hole*	Diamond, percussion, sludge and reverse circulation

Criteria	JORC Code Explanation	Commentary
techniques	*hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	(RC) were the primary drilling techniques used at Kujankallio. Mini drill holes were also used historically at surface. Diamond holes make up 20% of the total holes drilled at the Kujankallio deposit with core diameters varying from 45mm to 62mm. Hole depths ranged from 11m to 544m. Recoveries from diamond core were recorded as RQD figures in the database. A total of 67,325 records have currently been recorded with an average value of 92%. Core was orientated using Reflex tools. Runs of diamond core were placed in cradles by Dragon Mining geologists and marked up with an orientated centre line prior to logging. Lost core was also routinely recorded. RC drilling makes up 2% of the total holes drilled with depths ranging from 8m to 85m. Percussion drilling makes up 29% of the drill holes with depths ranging from 1m to 17m. Trench or channel sampling accounts for less than 4% of the 'drilling' at the deposit with sampling at intervals from 0.3m to 10.5m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All percussion and RC samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were field logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percentage with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging was a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon Mining (since 2000), that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected,*	Diamond core is cut in half using a core saw with half core submitted for assay. In some circumstances, full-core or quarter core has been sent for analysis. Open pit percussion drill samples were collected at 1m intervals. Samples were collected at the rig, representing cutting's coarse fraction. The whole sample was collected and split at the laboratory's sample handling facility. Samples were predominantly dry. Percussion drilling was halted immediately if groundwater was encountered. Drilling was through bedrock from surface. Sampling of diamond core and RC chips uses industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that 85% passes a -75um sieve.

Criteria	JORC Code Explanation	Commentary
	including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Underground sludge holes were sampled at 1m intervals. The collected sample represents the whole drilled bulk material. Sample material was collected directly from the hole into a large plastic bucket. Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89). Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). From 2008, samples reporting greater than 5ppm gold were checked using the gravimetric finish. Trench samples were analysed using Aqua-Regia digestion with ICP-MS analysis. The main element assayed was gold, but major and trace elements were analysed on selected drill holes with analysis undertaken at ACME Analytical Laboratories (Vancouver, Canada). In 2015 and 2016, analysis of the Jokisivu sludge samples was conducted at the Kemian Tutkimuspalvelut Oy/CRS Minlab laboratory in Finland, using PAL1000 cyanide leach with AAS finish. No geophysical tools were used to determine any element concentrations used in this resource estimate. Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. A total of 3 different certified reference materials representing a variety of grades from 1.34g/t to 8.67g/t gold were inserted systematically since 2004. Results highlighted that the sample assays are accurate, showing no obvious bias. A total of 78 blank samples were submitted during the 2016 drill program. Results show that no contamination has occurred. Laboratory repeat analyses (2,095) honour the original assay and demonstrate best practice sampling procedures have been adopted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage*	RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon Mining core yard during the 2015 site visit. There has been no specific drill program at Kujankallio designed to twin existing drill holes.

Criteria	JORC Code Explanation	Commentary
	(physical and electronic) protocols. • *Discuss any adjustment to assay data.*	Primary data is documented on paper logs prior to being digitised using Drill Logger software. During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. Dragon Mining adjusted zero gold grades to half the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Maxibor equipment. All drilling from 2010 has been surveyed using the Maxibor or DeviFlex equipment. Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ2, 2003) with survey control established by Suomen Malmi Oy. A local mine grid is used at Jokisivu and all resource modelling was done using the local grid co-ordinates. The topographic surface over Jokisivu was prepared by Dragon Mining using topographic contours from digi-form maps. Surveyed data points from drill hole collars and trench samples were used to create a more accurate surface immediately above the mineralised lodes. The Kujankallio open pit was generated from mine survey pickups.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Drill holes have been located at 5m by 10m through the shallow portions of the mineralised lodes at Kujankallio. The nominal spacing across the deposit is at 20m by 20m. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes are orientated predominantly to the south (local mine grid) and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends. Underground 'fan' drilling is at variable dips and directions dependant on the drill site within the drives and orientated to optimally intercept the mineralised lodes. There is the potential for orientation based sampling bias due to sludge drill holes being drilled up into the mineralised lodes but is not considered to be material.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or	• *The results of any audits or reviews of sampling*	A review of sampling techniques and data was

Criteria	JORC Code Explanation	Commentary
reviews	*techniques and data.*	carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The Jokisivu Mining Concession covers both the Arpola and Kujankallio deposits, which Dragon Mining are actively mining. Mining Concession 'JOKISIVU' (K7244 1a-1b, 48.32 ha) and the extension of the Mining Concession 'JOKISIVU 2' (KL2015:0005, 21.31 ha). Claims and Exploration Licences, close to mine lease area: Jokisivu 4-5 (ML2012:0112, 90.82 ha), Jokisivu 7 (8970/1, 6.70 ha) and Jokisivu 8 (8970/2, 26.40 ha). The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The Kujankallio deposit was discovered by Outokumpu Mining Oy.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Jokisivu is a Palaeoproterozoic orogenic gold deposit comprising two major ore bodies (Kujankallio and Arpola) in a diorite. Mineralisation is hosted within relatively undeformed and unaltered diorite in 1m to 5m wide shear zones that are characterised by laminated, pinching, and swelling quartz veins.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		The Kujankallio deposit is part of the Jokisivu Gold Mine. Recent drilling at the deposit was primarily underground diamond 'fan' drilling from two locations at depth. No exploration results are being reported in this report.
		
		Jokisivu has been operating since 2009. In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.
Relationship between mineralisation widths and	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be*	The majority of drill holes were orientated predominantly to an azimuth of 198° (local mine grid) and angled to an average dip of approximately -60° which is approximately perpendicular to the

Criteria	JORC Code Explanation	Commentary
intercept lengths	*reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	orientation of the mineralised trends. The main Kujankallio lode strikes at approximately 280° (local grid) and dips at 40° to the north (local grid). Lodes within the 'hinge zone' strike approximately at 160° to 205° and dip to the east (local grid) at approximately 45°. Four lodes to the north-west strike at 015° and dip at 45° to the east.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor, EMS multishot or DeviFlex equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II, Gyro or DeviFlex equipment. Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Face and wall chip sampling has been undertaken as the Kujankallio development continues. These samples are not included in Mineral Resource estimates but are used by Dragon Mining to guide the mineralisation interpretations.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mine development is ongoing. Dragon Mining is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. Minor errors were noted but pertain to data outside the resource.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those*	Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both

Criteria	JORC Code Explanation	Commentary
	visits. • *If no site visits have been undertaken indicate why this is the case.*	formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The Kujankallio deposit comprises a set of parallel lodes of varying thickness and grade hosted in a shear zone striking west-northwest. The shears are characterised by laminating, pinching, and swelling quartz veins and a well-developed, moderately plunging lineation. The lodes are hosted within a sheared quartz diorite unit. Ongoing underground development has increased the level of confidence in the current interpretations. Drill hole logging by Dragon Mining geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface and within the open pit. The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced drilling (5m) at shallow depths, and ongoing face and wall sampling, suggest the current interpretation is robust. The majority of the mineralisation has been captured within the current interpretations of thin parallel lodes. Alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within quartz diorite, which is directly observed at surface. Vein percent has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on gold assay results. Gold mineralisation is contained within quartz veins occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Kujankallio Mineral Resource area extends over a strike length of 850m (from 5,690mE to 6,540mE local grid) and includes the 525m vertical interval from 0m to -525m local grid.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective*	Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and checked by RPM) were used to domain the gold data. Sample data was composited to 1m down whole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying top-cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 20m. RPM has not made assumptions regarding recovery of by-products from the mining and processing of ore at the Kujankallio deposit.

Criteria	JORC Code Explanation	Commentary
	mining units. • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	No estimation of deleterious elements was carried out. Only gold was interpolated into the block model. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. Three passes were used in the estimation. The first pass used a range 45m with a minimum of 10 samples. For the second pass, the range was extended to 60m, with a minimum of 6 samples. A third pass radius of 150m with a minimum of two samples was used to fill the model. A maximum of 40 samples was used for all 3 passes. More than 88% of the blocks were filled in the first two passes. Mineral Resource estimates for the Kujankallio deposit have previously been reported by RPM, with the earliest reported in January 2009. Prior to this, an estimate was completed by Maxwell Geoservices in January 2005. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent underground diamond drilling. The Kujankallio deposit forms part of the Jokisivu Gold Mine. Dragon Mining supplied RPM with stope and drift outlines which were used to deplete the current model. No assumptions were made regarding the recovery of by-products. No non-grade deleterious elements were estimated. The parent block dimensions used were 2m NS by 5m EW by 5m vertical with sub-cells of 0.5m by 1.25m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. Selective mining units were not modelled. The block size used in the resource model was based on drill sample spacing and lode orientation. Only gold assay data was available, therefore correlation analysis was not carried out. The deposit mineralisation was constrained by wireframes constructed using a combination of gold grade, lithology, and structure. No minimum intercept length was used, and a lower grade cut-off was not applied although, in most cases, the minimum grade of 1.0g/t gold was used as a limit. The wireframes were applied as hard boundaries in the estimate. Top cuts were applied to the data. Statistical analysis was carried out on data from each lode. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top-cuts were required if linear grade interpolation was to be carried out. To validate the model, a qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the resource objects. A trend analysis

Criteria	JORC Code Explanation	Commentary
		was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.5g/t gold cut-off grade. The cut-off grade was estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Jokisivu actual operational costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$37/t of ore; - Processing cost of US$21.47/t of ore; and - Processing recovery of 88.1%. The Kujankallio deposit is currently being mined as part of the Jokisivu Gold Mine. Ore Reserves for the Mine are currently being updated.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	The Kujankallio deposit is currently being mined using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. Ore from Jokisivu is processed at the Vammala Plant through a conventional flotation and gravity circuit plant.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the*	The bulk density values assigned to the block model were assumed. A value of 2.8t/m^3 was used for fresh

Criteria	JORC Code Explanation	Commentary
	method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	material (both mineralised and waste material). A value of 1.75t/m^3 was assigned to the overlying till material. These values are consistent with similar styles of mineralisation and lithologies at neighbouring Dragon Mining operations.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Measured Mineral Resource has been defined by extensive open cut and underground grade control drilling (10m strike spacing), surface trenching and underground mapping which has confirmed the geological and grade continuity of the mineralisation. The Indicated Mineral Resource was defined within areas of reasonably close spaced diamond drilling (less than 30m by 30m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the resource where sampling was greater than 30m by 30m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. The mineralised lodes interpreted at Kujankallio are based on a high level of geological understanding of similar deposits currently being mined by Dragon Mining. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Kujankallio Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground drives, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining has a good understanding of the geology and mineralisation controls gained through mining of the deposit since 2009. The Mineral Resource statement relates to global estimates of tonnes and grade. Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

APPENDIX 4 – JORC Table 1

Jokisivu Gold Mine – Arpola Deposit

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The various mineralised lodes at the Arpola deposit were sampled using surface and underground diamond drill holes, RC percussion drill holes, and sludge drill holes, surface trench sampling, and face chip sampling from underground development drives. Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Reflex Maxibor or EMS multi-shot equipment, or Devico DeviFlex. Drill samples were taken at geological intervals with average sample lengths of 1m. Face and wall samples were taken from development drives within ore zones. Drilling was conducted by Outokumpu and Dragon Mining. In the 1990s, diamond drilling by Outokumpu used 45mm core diameter (T56) with sampling at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at Outokumpu's laboratory where samples were analysed using a Fire-Assay method with AAS or ICP finish. Since 2000, diamond drilling by Outokumpu and Dragon Mining used 62mm and 50mm diameter core (T76 or NQ2) with sampling and preparation as described above. In some circumstances drill holes have been sampled using the full-core sample. Sample preparation was undertaken at the local independent laboratory in Outokumpu. Pulverised samples from drilling programs over the period 2000 to mid-2003 were assayed for gold using a 50g Fire Assay with AAS or ICP finish at VTT laboratory (Outokumpu town) and GTK's laboratory (Espoo and Rovaniemi). In addition to gold, some mineralised sections were assayed by ACME Analytical Laboratories (Vancouver, Canada) for a multi-element suite by ICP-MS method. From mid-2003 to 2007, all pulverised sample pulps have been shipped by DHL to ACME Analytical Laboratories (Vancouver, Canada) for gold analysis using a 30g Fire Assay with ICP-ES finish. During this period, all samples exceeding a 1ppm gold value were checked using Fire Assay with gravimetric finish. From the start of 2008 to the end of 2013, analysis of Dragon Mining's pulverised core was completed at ALS Minerals (Rosia Montana, Romania) for gold using a 30g Fire Assay with AAS finish. In 2008, any gold values exceeding 3ppm were checked with Fire Assay using gravimetric finish. Since 2009, grade control program, gold values in diamond core and percussion samples in excess of 5ppm and 50ppm gold, respectively were checked using Fire Assay with gravimetric finish. Since 2014, full core from infill drilling was submitted to ALS Minerals, whilst half core was submitted from surface exploration holes.

Criteria	JORC Code Explanation	Commentary
		Since 2015, analysis of the Jokisivu sludge samples was conducted at the Kemian Tutkimuspalvelut Oy/CRS Minlab laboratory in Finland, using PAL1000 cyanide leach with AAS finish.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond, percussion, sludge, and reverse circulation (RC) were the primary drilling techniques used at Arpola. Channel sampling (with a field diamond saw) was used at trenches and outcrops. Mini drill holes were also used historically. Diamond holes make up 30% of the total holes drilled at the Arpola deposit with core diameters varying from 45mm to 62mm. Hole depths ranged from 0.3m to 339m. Recoveries from diamond core were recorded as RQD figures in the supplied database. A total of 67,325 records were supplied with an average value of 92%. Core was orientated using Reflex tools. Runs of diamond core were placed in cradles by Dragon Mining geologists and marked up with an orientated centre line prior to logging. Lost core was also routinely recorded. RC drilling makes up 5% of the total holes drilled with depths ranging from 4m to 85m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All percussion and RC samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were field logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percentage with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging was a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon Mining (since 2000), that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is*	Diamond core is cut in half using a core saw with half core submitted for assay. In some circumstances, full-core or quarter core has been sent for analysis. Open pit percussion drill samples were collected at 1m intervals. Samples were collected at the rig, representing cutting's coarse fraction. The whole sample was collected and split at the laboratory's sample handling facility. Samples were predominantly dry. Percussion drilling was halted immediately if groundwater was encountered. Drilling was through bedrock from surface. Sampling of diamond core and RC chips uses industry standard techniques. After drying, the sample was subject to a primary crush, then pulverised so that 85% passes a

Criteria	JORC Code Explanation	Commentary
	representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	-75um sieve. Underground sludge holes were sampled at 1m intervals. The collected sample represents the whole drilled bulk material. Sample material was collected directly from the hole into a large plastic bucket. Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89). Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). From 2008, samples reporting greater than 5ppm gold were checked using the gravimetric finish. Trench samples were analysed using Aqua-Regia digestion with ICP-MS analysis. The main element assayed was gold, but major and trace elements were analysed on selected drill holes with analysis undertaken at ACME Analytical Laboratories (Vancouver, Canada). In 2015 and 2016, analysis of the Jokisivu sludge samples was conducted at the Kemian Tutkimuspalvelut Oy/CRS Minlab laboratory in Finland, using PAL1000 cyanide leach with AAS finish. No geophysical tools were used to determine any element concentrations used in this resource estimate. Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. A total of 3 different certified reference materials representing a variety of grades from 1.34g/t to 8.67g/t gold were inserted systematically since 2004 for a total of 585 samples. Results highlighted that the sample assays are accurate, showing no obvious bias. A total of 287 blank samples were submitted during the drill programs. Results show that contamination of samples has not occurred. Field duplicate analyses (838) honour the original assay and demonstrate best practice sampling procedures have been adopted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.*	RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon Mining core yard during the 2015 site visit.

Criteria	JORC Code Explanation	Commentary
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	There has been no specific drill program at Arpola designed to twin existing drill holes. Primary data is documented on paper logs prior to being digitised using Drill Logger software. During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. Dragon Mining adjusted zero gold grades to half the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by various contract surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Maxibor or EMS multi-shot equipment. Since 2010, all drilling has been surveyed using Maxibor or DeviFlex equipment. Drill hole locations were positioned using the Finnish National Grid System (FIN KKJ2, 2003) with survey control established by Suomen Malmi Oy. A local mine grid is used at Jokisivu and all resource modelling was done using the local grid co-ordinates. The topographic surface over Jokisivu was prepared by Dragon Mining using topographic contours from digi-form maps. Surveyed data points from drill hole collars and trench samples were used to create a more accurate surface immediately above the mineralised lodes. The Arpola open pit was generated from mine survey pickups.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Drill holes have been located at 5m by 10m through the shallow portions of the mineralised lodes at Arpola. The nominal spacing across the deposit is at 20m by 20m. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes are orientated predominantly to the south (local mine grid) and drilled at an angle which is approximately perpendicular to the orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or reviews	• *The results of any audits or reviews of sampling*	A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May

Criteria	JORC Code Explanation	Commentary
	techniques and data.	2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The Jokisivu Mining Concession covers both the Arpola and Kujankallio deposits, which Dragon Mining are actively mining. Mining Concession 'JOKISIVU' (K7244 1a-1b, 48.32 ha) and the extension of the Mining Concession 'JOKISIVU 2' (KL2015:0005, 21.31 ha). Claims and Exploration Licences, close to mine lease area: Jokisivu 4-5 (ML2012:0112, 90.82 ha), Jokisivu 7 (8970/1, 6.70 ha) and Jokisivu 8 (8970/2, 26.40 ha). The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The Arpola deposit was discovered by Outokumpu Mining Oy.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Arpola deposit is a Palaeoproterozoic orogenic gold deposit comprising two major ore bodies (Kujankallio and Arpola) in a diorite. Mineralisation is hosted within relatively undeformed and unaltered diorite in 1m to 5m wide shear zones that are characterised by laminated, pinching, and swelling quartz veins.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		The Arpola deposit is part of Jokisivu. The latest diamond drill program was executed in 2016. Open pit RC drilling at 5m by 10m spacing was undertaken in 2010. No exploration results are being reported in this report.
		
		Jokisivu has been operating since 2009. In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.
Relationship between mineralisation widths and	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be*	Drill holes were orientated predominantly to an azimuth of 180° (local mine grid) and angled to an average dip of approximately -50° which is approximately perpendicular to the orientation of the

Criteria	JORC Code Explanation	Commentary
intercept lengths	*reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	mineralised trends. The narrow mineralised zones strike at approximately 280° (local grid) and are variably dipping between 45° and 65° to the north (local grid).
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Surveys were generally taken at 3m or 10m intervals down hole using Maxibor or EMS multishot equipment. The majority of surveys have been conducted by Suomen Malmi Oy (SMOY). Recent drill holes have been surveyed by Nivalan Timanttikairaus Oy using Maxibor II or Gyro equipment. Recent drill holes, drilled by SMOY, Northdrill Oy and Nivalan Timanttikairaus Oy, have been surveyed using Maxibor II, Gyro or DeviFlex equipment. Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Face and wall chip sampling has been undertaken as the Arpola development continues. These samples are not included in Mineral Resource estimates but are used by Dragon Mining to guide the mineralisation interpretations.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mine development is ongoing. Dragon Mining is undertaking drilling underground at a number of levels to better understand the nature and extent of the gold mineralisation. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	During recent years, drill logging has been recorded on customised Excel spreadsheets and imported onto an Access database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. Minor errors were noted but pertain to data outside the resource.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those*	Initial site visits were conducted by Aaron Green in June 2007 and Paul Payne in May 2009 (both

Criteria	JORC Code Explanation	Commentary
	visits. • *If no site visits have been undertaken indicate why this is the case.*	formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The Arpola deposit comprises a set of multiple thin, discontinuous structures modelled as sub-parallel lodes in a tight array. The lodes are hosted within a sheared quartz diorite unit. Open pit mining and underground development has increased the level of confidence in the current interpretations. Drill hole logging by Dragon Mining geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface and within the current open pit. The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced drilling (5m) at shallow depths, and trench sampling, suggest the current interpretation is robust. The majority of the mineralisation has been captured within the current interpretations of thin parallel lodes. Alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within quartz diorite, which is directly observed at surface. Vein percent has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on gold assay results. Gold mineralisation is contained within quartz veins occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Arpola Mineral Resource area extends over a strike length of 460m from 6,055mE to 6,515mE and includes the vertical extent of 295m from -10mRL to -305mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between*	Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. As shown by Dragon Mining's mining experience at Jokisivu, inverse distance provides a robust estimate of grade that reconciles well with production data. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and checked by RPM) were used to domain the gold data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 20m. No assumptions have been made regarding recovery of by-products from the mining and processing of the Arpola gold resource.

Criteria	JORC Code Explanation	Commentary
	variables. • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	No estimation of deleterious elements was carried out. Only gold was interpolated into the block model. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. Three passes were used in the estimation. For the main lodes, the first pass used a range 30m with a minimum of 10 samples. For the second pass, the range was extended to 60m, with a minimum of 6 samples. A third pass radius of 90m with a minimum of two samples was used to fill the model. A maximum of 32 samples was used for all 3 passes. More than 98% of the blocks were filled in the first two passes. Mineral Resource estimates for the Arpola deposit have previously been reported by RPM, with the earliest reported in July 2010. Prior to this, an estimate was completed by Maxwell Geoservices in February 2005. The current estimate is based upon data and interpretations from the previous estimates, and has included information from recent surface drilling and underground sampling. The Arpola deposit forms part of the Jokisivu Gold Mine. Recent underground development has occurred at Arpola. Dragon Mining supplied RPM with drift outlines, which were used to deplete the current model. No assumptions were made regarding the recovery of by-products. No non-grade deleterious elements were estimated. The parent block dimensions used were 2m NS by 10m EW by 5m vertical with sub-cells of 0.5m by 2.5m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. Selective mining units were not modelled. Only gold assay data was available, therefore correlation analysis was not carried out. The deposit mineralisation was constrained by wireframes constructed using a combination of gold grade, lithology, and structure. No minimum intercept length was used, and a lower grade cut-off was not applied although, in most cases, the minimum grade of 0.5g/t gold was used as a limit. The wireframes were applied as hard boundaries in the estimate. Top-cuts were applied to the data based on a statistical analysis of samples at Arpola. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that top-cuts were required if linear grade interpolation was to be carried out. To validate the model, a qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the resource objects. A trend analysis

Criteria	JORC Code Explanation	Commentary
		was completed for 20m eastings and 10m elevations for lode 1. The model validation showed good correlation between the composite grades and the block model grades and highlighted the smoothing effect of the estimated grades compared to the composites.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.5g/t gold cut-off grade. The cut-off grade was estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Jokisivu actual operational costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$37/t of ore; - Processing cost of US$21.47/t of ore; and - Processing recovery of 88.1%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	The Arpola deposit is currently being mined using underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. Ore from Jokisivu is processed at the Vammala Plant through a conventional flotation and gravity circuit plant.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	The bulk density values assigned to the block model were assumed. A value of 2.8t/m^3 was used for fresh material (both mineralised and waste material). A value of 1.75t/m^3 was assigned to the overlying till material. These values are consistent with similar styles of mineralisation and lithologies at

Criteria	JORC Code Explanation	Commentary
	• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	neighbouring Dragon Mining operations.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. In general, any zone defined by surface trenching or drilling immediately below the mined pit, where drill hole spacing was 10m by 5m, and good geological lode continuity was apparent (or confirmed by underground development), was classified as Measured Mineral Resource. Remaining areas where drill hole spacing was less than 20m by 20m and reasonable geological lode continuity was apparent were classified as Indicated Mineral Resource. Those zones where drill hole spacing was greater than 20m by 20m, or where the continuity and/or geometry were uncertain were classified as Inferred Mineral Resource. Zones with less than four drill hole intersections were also classified as Inferred. The mineralised lodes interpreted at Arpola are based on a high level of geological understanding of similar deposits currently being mined by Dragon Mining. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the Mineral Resource estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM, which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Arpola Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of underground drives, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining has a good understanding of the geology and mineralisation controls gained through mining of the deposit since 2009. The Mineral Resource statement relates to global estimates of tonnes and grade. Results from chip samples taken along underground development drives have confirmed the lode geometry and position.

APPENDIX 5 – JORC Table 1

Kaapelinkulma Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The various mineralised lodes at the Kaapelinkulma deposit were sampled using surface diamond drill holes, percussion holes, and surface trench sampling. Drilling was conducted primarily on 10m or 20m line spacing increasing to 40m at depth, and drilled on the Finnish National Grid system (FIN KKJ2, 2003). Sawed channel profiles at the surface trenches were spaced at 10m or 20m along strike over the southern lodes. Trench samples were split and then quartered in the field by Dragon Mining personnel to produce representative samples. Drill holes were generally angled at -50° towards the north-west (average of 292° azimuth) to optimally intersect the mineralised zones. Diamond core was sampled at geological intervals prior to being cut, with half core sent for analysis (in some cases quarter core was submitted for analysis). Drill hole collars and starting azimuths appear to have been accurately surveyed by Dragon Mining mine and exploration surveyors. Dip values were measured at 10m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Maxibor equipment. In the recent drilling campaigns (2010 and 2014-2015), all drill holes were down-hole surveyed using Maxibor, Gyro or DeviFlex equipment. Drilling was conducted by Geological Survey of Finland (GTK), Outokumpu Mining Oy, and by Dragon Mining. Diamond drilling by GTK used 45mm core diameter (T56) with sampling at varying intervals based on geological boundaries. Half-split core was sampled and sent for preparation (crushing and pulverising) and assaying at GTK's laboratory where samples were analysed using a Fire-Assay method with AAS or ICP finish. Diamond drilling by Outokumpu used 62mm and 50mm diameter core (T76 or NQ2) with sampling and preparation as described above. Sample analysis was undertaken at the local independent laboratory in the town of Outokumpu using Fire-Assay with AAS or ICP finish. Diamond drilling by Dragon Mining used 50 to 57.5mm core diameter (T66WL, NQ2 and T76WL) with sampling and analysis as described above for Outokumpu drilling. In June 2008, the independent sample preparation laboratory in the town of Outokumpu became part of ALS Minerals laboratories.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond or percussion drilling were the primary techniques used at Kaapelinkulma. Diamond holes make up over 90% of the total metres drilled with core diameters varying from 45mm to 62mm. Hole depths range from 14m to 181m. Percussion drill hole depths range from <2m to 21m. The length of sawed channels varies from 0.4m to 15m.

Criteria	JORC Code Explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	RQD values for diamond core were recorded in the supplied database. Core was orientated with an average RQD of 89%. Lost core was also routinely recorded. Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All percussion samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. No relationship was noted between sample recovery and grade. The mineralised zones have predominantly been intersected by diamond core with generally good core recoveries. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were field logged by Dragon Mining geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percent with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Outokumpu and Dragon Mining (since 2001), that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Diamond core is cut in half using a core saw with half core submitted for assay. In some cases, quarter core is sent for analysis. Percussion drill samples were collected at either 1m or 2m intervals. Samples were collected at the rig and split on a plastic covered table at the drill site. The sample cone was first split in half using hard and thin sheets, and then quarter split to obtain a sample to be sent for analysis. Samples were predominantly dry. Percussion drilling was halted immediately if groundwater was encountered. Drilling was through bedrock from surface. Sampling of diamond core uses industry standard techniques. After drying, the sample was subject to a primary crush, then pulverised so that more than 85% passes a -75um sieve at ALS Minerals Ltd. Dragon Mining has used systematic standard and pulp duplicate sampling since 2004. Every 20th sample (sample id ending in -00, -20, -40, -60, -80) is submitted as a standard, and every 20th sample (sample id ending in -10, -30, -50, -70, -90) is inserted as a pulp duplicate (with the original sample id ending in -09, -29, -49, -69, -89). Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation,

Criteria	JORC Code Explanation	Commentary
		the thickness and consistency of the intersections, the sampling methodology and assay value ranges for Gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). Values exceeding 1ppm gold (prior to 2009) and 5ppm gold (from 2009) were checked using Fire-Assay with gravimetric finish. Trench samples were also analysed using Aqua-Regia digestion with ICP-MS analysis for multi-element assays. The main element assayed was gold, but major and trace elements were analysed on selected drill holes. No geophysical tools were used to determine any element concentrations used in this resource estimate. Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. A total of 5 different certified reference materials representing a variety of grades from 1.34g/t gold to 18.12g/t gold were inserted systematically since 2004 for a total of 461 samples. Results highlighted that the sample assays are accurate, showing no obvious bias. A total of 293 blank samples were submitted during the drill programs. Results show that no contamination has occurred. Field duplicate analyses (760) honour the original assay and demonstrate best practice sampling procedures have been adopted.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	RPM has independently verified significant intersections of mineralisation by inspecting drill core from the recent drilling at the Dragon Mining core yard during the 2015 site visit. There has been no specific drill program at Kaapelinkulma designed to twin existing drill holes, although infill drilling has largely confirm continuity and tenor. Primary data was documented on paper logs prior to being digitised using Drill Logger software. During recent years, drill logging observation data has been recorded in customised Excel sheets and imported into an Access database. Dragon Mining adjusted zero gold grades to half the detection limit.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole dip values were recorded at 10m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Maxibor equipment. All drilling from 2010 has been surveyed using Maxibor, Gyro or DeviFlex equipment. Drill hole locations were positioned using the Finnish

Criteria	JORC Code Explanation	Commentary
		National Grid System (FIN KKJ2, 2003). The topographic surface over the Kaapelinkulma deposit was provided to RPM by Dragon Mining and was prepared by Dragon Mining using topographic contours from digi-form maps. Surveyed data points from drill hole collars and trench samples were used to create a more accurate surface immediately above the mineralised lodes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Drill holes have been located at 10m by 10m through the southern zone. In the north, the nominal drill spacing is at 20m on 40m spaced drill lines. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes are orientated predominantly to an azimuth of 290° and drilled at an angle of between 30° and 80° to the northeast, which is approximately perpendicular to the orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely reviewed by Jeremy Clark (RPM) during the May 2015 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut either by Dragon Mining personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	A review of sampling techniques and data was carried out by Jeremy Clark (RPM) during the May 2015 site visit. The conclusion made was that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	Mining Concession 'KAAPELINKULMA' (K7094, 66.54 ha) is valid. It covers both the northern and southern zones of mineralization that comprise the Kaapelinkulma deposit. The Mining Concession is surrounded by a valid Reservation area 'Kaapeli' (VA2016:0026, 1,589 ha). A small NATURA conservation area 'PITKÄKORPI' (FI0349001, 70 ha) is located 400 metres east of Kaapelinkulma gold deposit.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The Kaapelinkulma deposit was discovered by the Geological Survey of Finland (GTK) after a gold bearing boulder was sent by an amateur prospector in 1986. Subsequent exploration by GTK, Outokumpu Oy (Outokumpu), and then by Dragon

Criteria	JORC Code Explanation	Commentary
		Mining, outlined a small, medium to high grade deposit.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Kaapelinkulma is a Palaeoproterozoic orogenic gold deposit located in the Vammala Migmatite Belt. The deposit comprises a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit inside a tonalitic intrusive. A mica gneiss surrounds the tonalite.

Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		Drill hole locations and the resource distribution are shown in the attached Mineral Resource report.
		
		In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Drill holes were orientated predominantly to an azimuth of 290° and angled to a dip of -50° which is approximately perpendicular to the orientation of the mineralised trends. The narrow mineralised zones strike at approximately 020° in the south to 000° in the north and are variably dipping between 25° and 45° to the east.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole surveys were undertaken on all exploration and resource development diamond drill holes. Recent drill holes, drilled by SMOY, KaTi Oy and Northdrill Oy, have been surveyed using Maxibor II, Gyro or DeviFlex equipment at 3 or 10m intervals.
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to):*	In addition to drilling, trench samples were taken at Kaapelinkulma. A field diamond saw was used to cut

Criteria	JORC Code Explanation	Commentary
exploration data	*geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	6cm channels within the exposed bedrock. Channel profiles were spaced at either 10m or 20m. Sampling occurred at intervals ranging from 0.15m to 0.90m. Logging and sampling was carried out by Dragon Mining geologists.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Pit optimisation and design studies were completed in 2015, in order to report an Ore Reserve for Kaapelinkulma. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Drilling data is initially captured on paper logs and manually entered into a database. Dragon Mining carries out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. During recent drill programs, logging data has been recorded in a customised Excel spreadsheet and imported into an Access database. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Initial site visits were conducted by Paul Payne in May 2009 (formerly ResEval and RUL). A site visit was conducted by Trevor Stevenson (formerly RPM) in October 2013. The most recent site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The Kaapelinkulma deposit comprises a set of sub-parallel lodes in a tight array hosted within a sheared quartz diorite unit which occurs inside a tonalitic intrusive. The shear system is en echelon type. Surrounding the tonalite is a mica gneiss. Gold mineralisation is mainly free gold in quartz veins. Mineralisation occurs at two locations along a shear zone, which strikes approximately 020° in the south and 000° in the north. Narrow mineralised lodes, within quartz diorite, dip between 30° and 80° to the east. The confidence in the geological interpretation of the main lodes is considered good as the drilling is close spaced, and the continuity of mineralisation can be traced along strike at surface through trench sampling. Drill hole logging by Dragon Mining geologists, through direct observation of drill core and percussion samples have been used to interpret the geological setting. The bedrock is exposed at surface.

Criteria	JORC Code Explanation	Commentary
		The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced drilling and trench sampling suggest the current interpretation is robust. The nature of the thin parallel lodes would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within quartz diorite, which is directly observed at surface. Vein percentage has been used in geological logging to highlight mineralised intersections. The current interpretations are mainly based on gold assay results. Gold mineralisation is contained within quartz veins occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Kaapelinkulma Mineral Resource area extends over a combined strike length of 440m (280m in the southern area from 6,791,165mN to 6,791,445mN) and (160m in the northern area from 6,791,630mN to 6,791,790mN) and includes the vertical extent of 85m from 120mRL to 35mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and reviewed by RPM) were used to domain the gold data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 20m. No assumptions have been made regarding recovery of by-products from the mining and processing of the Kaapelinkulma gold resource. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. The plunge was generally aligned to the 40°-45° south lineation as reported by Dragon Mining. Three passes were used in the estimation. For the main lodes, the first pass used a range 40m, with a minimum of 10 samples. For the second pass, the range was extended to 80m, with a minimum of 10 samples. For the minor lodes, a first pass radius of 25m and a second pass of 50m were used with a minimum of 10 samples. A third pass radius of 100m with a minimum of 1 sample was used to fill the model. A maximum of 40 samples was used for all 3 passes. Greater than 80% of the blocks were filled in the first two passes. No mining has occurred at the Kaapelinkulma deposit. A Mineral Resource estimate was reported by RUL in January 2009 and November 2010. RPM updated the estimate in December 2013.

Criteria	JORC Code Explanation	Commentary
		No assumptions were made regarding the recovery of by-products. No non-grade deleterious elements were estimated. The parent block dimensions used were 10m NS by 2m EW by 5m vertical with sub-cells of 2.5m by 0.5m by 1.25m. Selective mining units have not been modelled. The block size used in the Mineral Resource estimate was based on the drill hole sample spacing and the orientation of the lode geometry. Multi-element results were supplied for 833 samples. Results showed a good correlation between gold and arsenic (from arsenopyrite and loellingite). Arsenic was not estimated or reported by RPM and is not considered material to the current estimate. The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t gold cut-off grade with a minimum intercept of 2m required. The wireframes were applied as hard boundaries in the estimate. Statistical analysis was carried out on data from each prospect. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that high grade cuts were required if linear grade interpolation was to be carried out. A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the resource objects. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for northings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.0g/t gold cut-off grade. The cut-off grade was estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Kaapelinkulma Pre-Feasibility Study costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$41.86t of ore; - Processing cost of US$25.94/t of ore; and - Processing recovery of 85%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution.*	RPM has assumed that the deposit could potentially be mined using small scale open pit techniques as part of a larger operation.

Criteria	JORC Code Explanation	Commentary
	It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. This work is currently being conducted as part of a Pre-Feasibility Study and this section will be updated at its conclusion.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	A bulk density value of 2.83t/m^3 was assigned to all material (ore and waste) below the till, based on 630 core measurements. The till was assigned a value of 1.8t/m^3. Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are minimal void spaces in the rocks at Kaapelinkulma. All material at the Kaapelinkulma deposit is fresh rock and has been assigned the value of 2.83t/m^3.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The Mineral Resource was classified on the basis of sample spacing and continuity of the interpreted zones. The Indicated Mineral Resource was defined within areas of close spaced diamond drilling (less than 20m by 20m) due to the good continuity and predictability of the lode positions. The Inferred Mineral Resource included areas of the deposit where sampling was greater than 20m by 20m, small isolated pods of mineralisation outside the main mineralised zones and geologically complex zones. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of

Criteria	JORC Code Explanation	Commentary
		mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the resource estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Kaapelinkulma Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of surface bedrock, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining is currently mining similar deposits near to the Kaapelinkulma deposit and has a good understanding of the geology and mineralisation controls. The Mineral Resource statement relates to global estimates of tonnes and grade. No mining has occurred at the deposit.

APPENDIX 6 – JORC Table 1

Fäboliden Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg*	The Fäboliden gold deposit has been sampled by a series of diamond core and reverse circulation drill holes completed from surface, as well as test mining and processing. A total of 322 diamond core drill holes (63,834.80 metres) and 11 reverse circulation holes (986.00 metres) have been completed by previous owners Lappland Goldminers Fäboliden AB (Lappland). A total of 311 blast holes (1,555 metres) were also drilled to carry out the test mining. Dragon Mining has completed 34 WL-66 diamond core drill holes for a total advance of 2,941.50 metres. Historical drilling has been completed on a nominal grid spacing of 50m by 50m for the near surface material, increasing to 100m by 100m and greater for the depth extensions.

Criteria	JORC Code Explanation	Commentary
	was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The drilling completed by Dragon Mining has improved the drill density to a nominal 25m by 25m and 25m by 50m basis for the near surface material, over a strike length of 400m. Lappland completed a program of test mining in 2005, targeting a zone of near surface higher grade mineralisation immediately north of Dragon Mining's drilling area, with the excavation of three trenches. Historic drill hole collars have been surveyed to the Swedish National Grid system – RT90 2.5 gon väst (standard). Details of the original survey process, equipment used, who performed the surveys or the level of accuracy of the survey has not been documented. A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon Mining has verified the historical coordinates. New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. Down hole dip and azimuth deviations of historic holes were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 50% of all holes drilled. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS. All drill core has been geologically logged. Logging information was recorded in Microsoft Excel spreadsheets and then transferred to a Microsoft Access database. Prior to 1999 the entire core was submitted for analysis. Since 1999 half core samples have been analysed. Samples were generally collected on metre intervals, though samples have varied from 0.1m to 4m. Half core samples of select zones of core from the Dragon Mining drilling program was submitted to the laboratory. Sampling was completed on a one metre basis. Sample preparation of historic samples was conducted by ALS Minerals in Piteå, Sweden, with sample pulps sent to ALS Minerals in Vancouver, Canada for assaying for gold by 50 gram Fire Assay methods. Samples were also assayed by aqua regia digest followed by inductively coupled plasma optical emission spectroscopy for a suite of 33 elements. Dragon Mining samples were prepared at the ALS Minerals facility in Piteå, Sweden. Sample pulps were sent to the ALS Minerals facility in Loughrea, Ireland for assaying for gold by 30g Fire Assay methods (Gold-AA25) and multi-elements by ME-ICP41. Samples with gold values greater than 5g/t Gold were re-analysed using 30g Fire Assay methods with gravimetric finish (Gold-GRA 21).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic,*	Diamond core drilling has been the primary drilling method used at Fäboliden. The majority of the historic

Criteria	JORC Code Explanation	Commentary
	etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	drilling was completed using 36mm to 39mm core diameter, more recent drilling completed using 42mm to 49mm (NQ) diameter. Historical hole depths ranged from 41.6m to 762m. Core was collected with a standard tube. There is no record to indicate that core orientation was undertaken on all of the historical holes. Down hole dip and azimuth deviations were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 50% of all holes drilled. The recent drilling completed by Dragon Mining was completed using WL-66, with hole depths ranging from 35 to 162m. Core was collected with a standard tube and all holes drilled by Dragon Mining, except the first hole were fully orientated. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Historic diamond core was reconstructed into continuous runs for logging and marking, with depths checked against core blocks. Core recoveries were not routinely recorded. Dragon Mining diamond core was fully orientated except the first hole, and reconstructed into continuous runs for logging and marking, with depths checked against core blocks. Core recoveries were routinely recorded during the RQD logging process. Core recovery has been excellent and corresponded well with expectations of drilling in unweathered crystalline bedrock. Experienced local drilling contract groups undertook the drilling completed by Lappland and Dragon Mining. No relationship has been noted between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	Detailed geological logging was undertaken on all drill core. The core was logged using 286 codes, made up of 77 lithology codes, 5 intensity codes, 97 structural codes, 82 mineralisation codes and 25 general codes. Logging was performed to a level that will support Mineral Resource estimation. Drill samples were logged for lithology, mineralisation and alteration. Logging was a mix of qualitative and quantitative observations. The core was systematically photographed by hand. All holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and*	Prior to 1999 the entire core was submitted for analysis. Since 1999 half core samples have been analysed. Drill core was cut by saw. Drilling completed by the previous owners Lappland was completed primarily by diamond core methods.

Criteria	JORC Code Explanation	Commentary
	appropriateness of the sample preparation technique. • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Reverse circulation drill hole samples were collected at 1m intervals. Samples were collected at the rig, representing cutting's coarse fraction. A sub-sample was collected at the drill rig for analysis. There is no information available describing the sub-sampling process or the quality of the sample. Drilling completed by Dragon Mining was completed by diamond core methods. Sampling of diamond core samples used industry standard techniques. Drill core is sawn in half using a core saw. With respect to the nature of the mineralised system and the core diameter, the use of half-core is considered appropriate. Sample preparation is completed by ALS Minerals and follows industry best applicable practice. ALS Minerals procedures and facilities are organised to assure proper preparation of the sample for analysis, to prevent sample mixing, and to minimise dust contamination or sample to sample contamination. Samples are submitted to the ALS Minerals facility in Piteå, Sweden for sample preparation. Half core samples are weighed, assigned a unique bar code and logged into the ALS system. The entire sample is dried and crushed to 5mm. A sub-sample of the crushed material is then pulverised to better than 85% passing 75 microns using a LM5 pulveriser. The pulverised sample is split with multiple feed in a Jones riffle splitter until a 100-200g sub-sample is obtained for dispatch to the ALS Minerals facilities at Vancouver in Canada for analysis for gold and multi-elements for the historical samples and Loughrea in Ireland for gold and multi-elements for the Dragon Mining samples. All sub-sampling is carried out at the ALS Minerals facility in Piteå, Sweden. Core sample intervals are measured and clearly marked on core. Core is sawn in half longitudinally and at the start and finish of each individual sample. ALS personnel were trained to carry out the sampling of the Dragon Mining drill core, in accordance with Dragon Mining protocols. Certified reference material and blanks were routinely inserted with the sample submission, at a rate of 1 sample every 20 samples. Results have returned in accordance with expected values, apart from one sample that returned a value outside the acceptable levels. This has been fully checked by the Company and the laboratory and it has been concluded that the original results was incorrect from follow-up analysis. Additional check work has been instigated by the Company. Certified reference materials were not routinely inserted with the sample submission by Lappland. The small database available returned an acceptable level of bias from the laboratory. Blank samples were inserted at the rate of 1 in 20 by Lappland, the results

Criteria	JORC Code Explanation	Commentary
		indicating that there is little evidence of contamination between samples. Analysis of coarse crush duplicates has not been performed by Lappland. Dragon Mining has completed a program of check analysis on coarse crush duplicates. Results returned values commensurate with the primary analysis. The method selected for sample preparation is considered appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Historic samples were submitted to ALS Minerals in Vancouver, Canada for analysis for gold by 50g fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Dragon Mining samples were submitted to ALS Minerals in Loughrea, Ireland for analysis for gold by 30g fire assay fusion with an Atomic Absorption Spectrometry (AAS) finish. Samples with gold values greater than 5g/t gold were re-analysed using 30g fire assay methods with gravimetric finish (Gold-GRA 21). ALS Minerals are a certified global laboratory group. They are monitored by an internal QAQC program and a QAQC program implemented by Dragon Mining, both of which include the inclusion of blank material, duplicates and certified reference material. The analytical methods used for gold are considered total. The analytical work is undertaken at a level suitable for inclusion in Mineral Resource estimates. No geophysical tools were used for analytical purposes on sample material from Fäboliden. QAQC protocols were not stringently adhered to throughout the duration of all drilling programs undertaken by Lappland. Lappland implemented a program of inserting certified reference materials (sourced from Ore Research and Exploration and supplied by Analytical Solutions Ltd from Toronto, Canada) representing six different standards ranging in gold grades from 0.43 g/t to 9.64g/t Gold in 2005. Insertion was completed at a rate of approximately 1 for every 188 samples submitted. Blank samples were inserted at a rate of 1 in 20 samples. The samples were submitted by the laboratory on behalf of Lappland and are not considered blind. There was no systematic blind repeat sampling program implemented by Lappland, the repeat pulp samples submitted being done at a rate of 1 sample for every 49 samples. No coarse duplicates samples were submitted by Lappland.

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		QAQC protocols were stringently adhered to throughout the duration of the drilling program undertaken by Dragon Mining. Dragon Mining included a certified reference standard, blank and pulp duplicated on a 1 in 20 basis. Coarse crush duplicates are being undertaken at an umpire facility on a 1 in 10 basis. ALS Minerals implement an internal QAQC program that includes the insertion of blanks, certified reference material and duplicates with each analytical run. A review of the Lappland QAQC results has shown reasonable consistency between different laboratories, analytical methods and results. The results for Dragon Mining have yielded values as expected to date, apart from one sample that returned a value outside the acceptable levels. This has been fully checked by Dragon Mining and the laboratory and it has been concluded that the original results was incorrect from follow-up analysis. Additional check work has been completed by Dragon Mining.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Dragon Mining has no knowledge of the procedures implemented by Lappland to verify significant intersections. Significant intersections are verified by Dragon Mining geologists. The Lappland reverse circulation program was implemented to twin some of the diamond core drill holes. Dragon Mining has not twinned any holes. Primary data was collected by Lappland and Dragon Mining personnel. All measurements and observations were recorded into an Excel spreadsheet. Primary assay and QAQC data is entered into an Excel spreadsheet. No adjustment has been made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Details of the survey process, equipment used, who performed the surveys or the level of accuracy of the survey for the historical drilling has not been located by Dragon Mining. A program of resurveying by independent survey consultants Tyrens AB, on behalf of Dragon Mining has verified the historical coordinates. New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. Historic down hole dip and azimuth deviations were recorded using a Reflex Maxibor II tool on all holes completed since 2006, approximately 50% of all holes drilled. All drill holes completed by Dragon Mining were surveyed using a DeviFlex instrument for down hole dip and azimuth. The starting azimuth was resurveyed by GeoVista AB using a RTK-GPS.

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		The grid system used for the reporting of results is the Swedish National Grid System RT90 2.5 gon väst (standard). Details of the topographic control over the Fäboliden deposit were not obtained by Dragon Mining. Dragon Mining is yet to establish specific topographic control over the Fäboliden Gold Project. The survey methodology and equipment utilised during the collar surveys provides sufficient detail and accuracy for the topographic control as needed for inclusion in Mineral Resource estimates.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Historic drilling has been undertaken from surface on a nominal grid base of 50m by 50m for the near surface material and 100m by 100m and greater for the material at depth. Drilling by Dragon Mining has improved drill density to a nominal 25m by 25m and 25m by 50m basis over a strike length of 400m to an approximate depth of 100m. The geology and mineralisation displays satisfactory continuity from hole to hole. Work completed by Dragon Mining has improved data quality to a level whereby it will be sufficient to support the definition of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition). Samples were composited to 1m for Mineral Resource estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Most drill holes were completed perpendicular to the strike of the deposit and drilled at dips between -35° and -75°. A small number of holes were drilled vertically. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of the historical samples was managed by Lappland. Company personnel transported diamond core to the core shed where geologists logged the core. Core for sampling was then transported to the ALS Minerals Piteå facility, for cutting, sample preparation and assaying. Lappland had no further involvement in the process once the material arrived at the Piteå ALS facility. Chain of custody of the Dragon Mining samples was managed by Dragon Mining. Company personnel transported diamond core to the core shed where geologists logged the core. Core for sampling was then transported to the ALS Minerals Piteå facility, for cutting, sample preparation and assaying. Dragon Mining had no further involvement in the process once the material arrived at the Piteå ALS facility.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	Jeremy Clark of RPM reviewed drilling and sampling procedures during the 2015 site visit and found that all procedures and practices conform to industry standards. Dragon Mining has completed audits of the ALS Minerals facilities at Piteå, Sweden and Vancouver,

Criteria	JORC Code Explanation	Commentary
		Canada. The completed reviews and audits raised no issues.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The Fäboliden deposit is located within granted Exploitation Concession Fäboliden K nr1. The Exploitation Concession is located nearby to a series of contiguous Exploration Permits - Fäboliden nr 11, Fäbodliden nr 82, Fäboliden nr 83. The tenements are in good standing with no known impediment to future grant of a mining permit.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The prospectivity of the area was first recognized in 1988 with the discovery of gold bearing mineralized boulders to the south-east of Fäboliden. Exploration on the Fäboliden project area commenced in 1993 and has primarily involved drilling over a 21 year period. A total of 367 holes have been completed, comprising 67,762.30 metres by Lappland and Dragon Mining.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Fäboliden deposit is located within the Fennoscandian Shield and is an orogenic gold deposit. Mineralisation is hosted by Paleoproterozoic meta-sediments and meta-volcanic rocks, surrounded by granitoids. The host sequence is cross-cut by a set of northwest-southeast striking, flat lying undeformed dolerites that are not mineralised. Mineralisation is commonly hosted by the arsenopyrite and graphite bearing, variably boudinaged quartz and sulphide veins within the host rocks. The gold is fine grained 2 to 40µm and is found in fractures and as inclusions within the arsenopyrite-loellingite. Gold is also seen as free grains in the silicate matrix of the host rock.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		All exploration results have previously been reported by Dragon Mining during 2015.
		
		All information has been included in the appendices.
		
		No drill hole information has been excluded.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of*	Exploration results are not being reported. Not applicable as a Mineral Resource is being reported. Metal equivalent values have not been used.

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	low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Most drill holes are angled to the west so that intersections are orthogonal to the expected orientation of mineralisation. It is interpreted that true width is approximately 70-100% of down hole intersections.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	New drill holes have been surveyed using a Trimble R8 GNSS device by independent survey consultants Tyrens AB. The grid system used for the reporting of results is the Swedish National Grid System RT90 2.5 gon väst (standard). Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Historic work completed at the Fäboliden deposit is dominated by diamond core drilling. The results for completed drilling campaigns have not been reported to the ASX as the previous owner was a Swedish entity listed on the First North Stockholm market. Lappland made a number of releases at the time. Lappland are no longer listed on the first North Stockholm market. In addition to drilling, other activities carried out include test mining and processing in 2005, Mineral Resource estimates in 2008, 2010 and 2011, and a Definitive Feasibility Study for a large tonnage low grade operation in 2012. Dragon Mining has conducted two programs of bench scale metallurgical test work and a production test. For the first phase of bench scale test work, a selection of representative historic quarter core samples were collected from an area identified by Dragon Mining as the area of future activities. These core samples were collected from depths ranging from surface to approximately 100m vertically. A high grade composite was established from this material. The metallurgical test work was completed at the ALS Metallurgy facility in Perth, Western Australia under the management of independent consultants Minnovo. It comprised bench scale comminution and leach programs. The comminution results showed moderate hardness and abrasion, with a Bond ball mill work index of 15.3kWh/t and an abrasion index of 0.2614. The leach test work program did not show a strong correlation between grind sizes and leach extraction with extraction levels ranging from 70.3% to 84.4%.

Criteria	JORC Code Explanation	Commentary
		All tests completed displayed relatively fast leaching, with approximately 97% of the final gold extraction being achieved after 16 hours. Cyanide and lime consumption were moderate at approximately 1.0 kg/t and 0.3 kg/t, respectively. Minnovo commented that the initial leach test conducted at P80 53µm, which returned a gold extraction level of 84.43% appeared to be anomalous as the subsequent tests undertaken at this grind size failed to replicate the initial result. It was thus concluded that at the minimum grind size (P80 53µm) considered achievable when processing ore at the Svartliden Plant, that gold extraction levels exceeding approximately 75% is unlikely for material from Fäboliden. At the Svartliden Plant, a full scale production test of approximately 1,000t of mineralised material from Fäboliden that had been stockpiled on the surface was undertaken. This material was excavated during the test mining and processing program undertaken by Lappland in 2005 from an area of near surface higher grade mineralisation. The production test confirmed the results of the recent benchscale test work, yielding a head grade of 3.02 g/t gold and a gold extraction level of 79.4%. The second phase of benchscale test work program was conducted to assess the possibility of increasing recovery from material at Fäboliden by producing a high-sulphur gravity concentrate for regrind and intensive leaching. The test work was undertaken at the SGS Australia's facility in Malaga, Western Australia, on representative samples from the planned southern open-pit area at Fäboliden using drill core from the program completed by Dragon Mining. In summary the new test work has shown that: Comminution results yielded moderate levels for abrasion and hardness with an Abrasions Index of 0.239 and Ball and Rod Mill Work Indices of 14.8kWh/t and 18.4 kWh/t, respectively. Values for abrasion and hardness are similar to levels obtained in previous test work; Diagnostic leaching returned values similar to those in previous test work, with the master composite showing approximately 80% of the gold available for cyanide leaching at a grind P_{80} of 75 µm; Whole ore leaching on variability samples returned overall gold extraction levels at 83%, higher than obtained in previous test work. Cyanide and lime consumption were moderate at approximately 0.7 kg/t and 0.4 kg/t, respectively; and Gravity regrind tests resulted in a 3% recovery increase to 86%, compared with the standard whole ore leach test of 83%. The whole ore leach tests showed the material to be grind sensitive, with increasing recovery at decreasing grind size. The addition of lead nitrate was shown to improve leach kinetics and as such will be considered for inclusion in the Svartliden Plant reagent regime. In order to improve overall gold recovery a gravity (sulphide rich) concentrate was produced, reground and leached separately to the gravity tail

Criteria	JORC Code Explanation	Commentary
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further work will include an application for and Environment Permit to undertake a phase of test mining and updated Environmental Permit application for a revised development plan with a significantly reduced environmental impact and a pre-feasibility study for the mining of the Fäboliden deposit and processing through the Svartliden Plant. Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Drill logging was recorded on customised Excel spreadsheets and imported onto an Access database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	A site visit was conducted by Jeremy Clark (RPM) in May 2015. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The confidence in the geological interpretation is considered to be good and is based on a significant number of diamond drill holes. Geochemistry and geological logging has been used to assist identification of lithology and mineralisation. The deposit consists of shallow east dipping (20-30˚) lodes. The continuity of the main mineralised lodes is clearly observed by Gold grades within the drill holes. Infill drilling has supported and refined the model and the current interpretation is considered robust. Alternate interpretations would have little impact on the overall Mineral Resource estimation. Outcrops of host rocks confirm the geometry of the mineralisation. The current interpretations are mainly based on gold assay results. Infill drilling has confirmed geological and grade continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Fäboliden Mineral Resource area extends over a strike length of 1,295m (from 7,169,125mN – 7,170,420mN) and includes the 665m vertical interval from 485mRL to -180mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data*	Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Fäboliden Mineral Resource due to the geological

Criteria	JORC Code Explanation	Commentary
	points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	control on mineralisation. Maximum extrapolation of wireframes from drilling was 40m down-dip beyond the last drill holes on section. This was equivalent to approximately half drill hole spacing in the this portion of the deposit and classified as Inferred Mineral Resource or left unclassified. Extrapolation was generally half drill hole spacing in between drill holes. The current estimate was checked with the previous, unreported estimate by Dragon Mining that was conducted with a similar approach. Results were comparable for the Mineral Resource within 150m of the topographic surface. There is potential for recovery of silver during milling. Silver was estimated into the block model but not reported. Potential deleterious elements are arsenic, sulphur and antimony. All have been estimated into the block model and will be flagged in the Mine Schedule. The parent block dimensions used were 10m NS by 5m EW by 5m vertical with sub-cells of 2.5m by 1.25m by 1.25m. The parent block size was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the Fäboliden datatset. An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Three passes were used. The first pass had a range of 50m, with a minimum of 10 samples. For the second pass, the range was 100m, with a minimum of 6 samples. For the third pass, the range was extended to 150m, with a minimum of 2 samples. A maximum of 30 samples was used for all passes. A maximum of 6 samples per hole was used in the Interpolation. No assumptions were made on selective mining units. Weak positive correlations were evident for most assay pairs, apart from gold and sulphur, which had no correlation. The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t gold cut-off grade for low grade and 1.3g/t gold for high grade. The wireframes were applied as hard boundaries in the estimate. Statistical analysis was carried out on data from 13 high grade lodes and four low grade halos. The high coefficient of variation and the scattering of high grade values observed on the histogram for some of the domains suggested that high grade cuts were required if linear grade interpolation was to be carried out. As a result high grade cuts ranging between 15 to 40g/t gold and 15g/t to 70g/t silver were applied, resulting in a total of 14 gold assays and 18 silver assays being cut. Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed reasonable correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry*	Tonnages and grades were estimated on a dry in situ

Criteria	JORC Code Explanation	Commentary
	basis or with natural moisture, and the method of determination of the moisture content.	basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.25g/t gold cut-off grade for open pit material above the 350mRL; and at 2.10g/t gold for underground material below the 350mRL. The cut-off grades were estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Faboliden Pre-Feasibility Study costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$28.12t of ore for open pit; and a mining cost of US$37.15 of ore for underground; - Processing cost of US$42.01/t of ore; and - Processing recovery of 82%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	RPM has assumed that the deposit could potentially be mined using open pit and potentially underground mining techniques. No assumptions have been made for mining dilution or mining widths, however mineralisation is generally broad with mineralisation widths of greater than 8m. It is a requirement that mining dilution and ore loss be in incorporated into any Ore Reserve estimated from this Mineral Resource.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	During the due diligence period, Dragon Mining also carried out a full scale production test of approximately 1,000 tonnes of higher grade gold bearing material from Fäboliden at the Svartliden Plant. This material was excavated during Lappland's 2005 test mining and processing program and stockpiled at surface. The production test confirmed the results of the new benchscale leach test work, yielding a head grade of 3.02g/t Gold and a gold extraction level of 79.4%. Two phases of benchscale test work have been completed. For the initial phase a selection of representative historic quarter core samples were collected from an area identified by Dragon Mining as the area of future activities. These core samples were collected from depths ranging from surface to approximately 100m vertically. A high grade composite was established from this material. The metallurgical test work was completed at the ALS Metallurgy facility in Perth, Western Australia under the management of independent consultants Minnovo. It comprised bench scale comminution and leach programs. The comminution results showed moderate hardness and abrasion, with a Bond ball mill work index of 15.3kWh/t and an abrasion index of 0.2614. The leach test work program did not show a strong correlation between grind sizes and leach extraction with extraction levels ranging from 70.3% to 84.4%. All tests completed displayed relatively fast leaching,

Criteria	JORC Code Explanation	Commentary
		with approximately 97% of the final gold extraction being achieved after 16 hours. Cyanide and lime consumption were moderate at approximately 1.0 kg/t and 0.3 kg/t, respectively. Minnovo commented that the initial leach test conducted at P80 53µm, which returned a gold extraction level of 84.43% appeared to be anomalous as the subsequent tests undertaken at this grind size failed to replicate the initial result. It was thus concluded that at the minimum grind size (P80 53µm) considered achievable when processing ore at the Svartliden Plant, that gold extraction levels exceeding approximately 75% is unlikely for material from Fäboliden. The second phase of benchscale test work program was conducted to assess the possibility of increasing recovery from material at Fäboliden by producing a high-sulphur gravity concentrate for regrind and intensive leaching. The test work was undertaken at the SGS Australia's facility in Malaga, Western Australia, on representative samples from the planned southern open-pit area at Fäboliden using drill core from the program completed by Dragon Mining. In summary the new test work has shown that: - Comminution results yielded moderate levels for abrasion and hardness with an Abrasions Index of 0.239 and Ball and Rod Mill Work Indices of 14.8kWh/t and 18.4 kWh/t, respectively. Values for abrasion and hardness are similar to levels obtained in previous test work; - Diagnostic leaching returned values similar to those in previous test work, with the master composite showing approximately 80% of the gold available for cyanide leaching at a grind P_{80} of 75 µm; - Whole ore leaching on variability samples returned overall gold extraction levels at 83%, higher than obtained in previous test work. Cyanide and lime consumption were moderate at approximately 0.7 kg/t and 0.4 kg/t, respectively; and - Gravity regrind tests resulted in a 3% recovery increase to 86%, compared with the standard whole ore leach test of 83%. The whole ore leach tests showed the material to be grind sensitive, with increasing recovery at decreasing grind size. The addition of lead nitrate was shown to improve leach kinetics and as such will be considered for inclusion in the Svartliden Plant reagent regime. In order to improve overall gold recovery a gravity (sulphide rich) concentrate was produced, reground and leached separately to the gravity tail.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be*	No assumptions have been made regarding environmental factors. Dragon Mining will work to mitigate environmental impacts as a result of any future mining or mineral processing.

Criteria	JORC Code Explanation	Commentary
	reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Dragon Mining collected 790 specific gravity measurements during the 1999 to 2015 drilling programs at Fäboliden. All samples were in fresh rock. RPM extracted the specific gravity measurements within the lodes and geological units. RPM then subdivided the measurements into lithology. Bulk density is measured. Moisture is accounted for in the measuring process and measurements were separated for lithology, mineralisation and weathering. It is assumed there are minimal void spaces in the rocks within the Fäboliden deposit. The Mineral Resource contains minor amounts of glacial till material above the fresh bedrock. A value for this zone was derived from known bulk densities from the nearby Svartliden deposit.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 50m by 50m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 50m by 50m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM, which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation.*	The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. The Mineral Resource statement relates to global estimates of tonnes and grade. Reconciliation could not be conducted as no large scale mining has occurred at the deposit.

Criteria	JORC Code Explanation	Commentary
	Documentation should include assumptions made and the procedures used. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	

APPENDIX 7 – JORC Table 1

Svartliden Gold Mine

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The various mineralised lodes at the Svartliden deposit were sampled using surface and underground diamond drill holes, surface reverse circulation holes, production grade control and 'soija' (sludge) holes. Production holes were drilled at 5-8m spacing's on 8-12.5m spaced cross sections. Holes in the deeper area were generally drilled at section spacing's of approximately 25m and hole spacing's of 20m to 30m down dip. Holes were drilled on the Swedish National Grid system (RT90). Drill holes were generally angled at -55° towards the north north-west (average of 341° or 160° azimuth) to optimally intersect the mineralised zones. Diamond core was sampled at 1m intervals or to geological contacts prior to being cut. Half core was sent for analysis for exploration drill holes and whole core was sent for analysis for underground grade control drilling (in some cases quarter core was submitted for analysis). Drill hole collars and starting azimuths appear to have been accurately surveyed by Dragon Mining mine and exploration surveyors. Dip values were measured at 6m intervals down hole by drillers using conventional equipment. Azimuth deviations of the deepest holes were surveyed with Reflex EZ-Track equipment. Drilling was conducted by Lappland Guld & Prospecting, Viking Gold Corporation and by Dragon Mining. Diamond drilling by Dragon Mining used 51mm core diameter (WL-66) with sampling at 1m intervals. Half-split core was sampled and sent for preparation (crushing and pulverising) at ALS Minerals facilities in Piteå, Sweden or Outokumpu, Finland. Assaying was conducted at ALS Minerals facilities in Canada and Rosia Montana, Romania. A smaller number of samples have also been assayed at LapLab facilities in Lycksele, Sweden. Fire assay has been used for all analyses. The majority of grade control drilling was assayed onsite at the Dragon Mining laboratory using a PAL method with AAS analysis. Underground grade control drilling was assayed at the ALS Minerals facility in Rosia Montana, Romania.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-*	Diamond or reverse circulation drilling were the primary techniques used at Svartliden. Reverse circulation holes make up 79% of the total holes drilled and a face sampling bit was used. The

Criteria	JORC Code Explanation	Commentary
	sampling bit or other type, whether core is oriented and if so, by what method, etc).	majority of drilling below the pit is diamond using WL-66 diameter core. Sludge drilling was used for underground production drilling.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Core recovery measurements were not provided to RPM, however observations during the 2013 site visit confirmed that the rock is very competent and excellent recovery was being achieved. Measurements of core recovery and RQD is carried out by Rockma Drilling. The majority of core recovery is >95%. Diamond core was reconstructed into continuous runs for orientation marking with depths checked against core blocks. Core loss observations were noted by geologists during the logging process. All reverse circulation samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. No relationship was noted between sample recovery and grade. The consistency of the mineralised intervals suggests sampling bias due to material loss or gain is not an issue.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All holes were field logged by company geologists to a high level of detail. Diamond holes were logged for recovery, RQD, number and type of defects. The supplied database contained tables with information on quartz vein shearing and vein percent with observations recorded for alpha/beta angles, dips, azimuths, and true dips. The amount and type of ore textures and ore minerals were also recorded within a separate table. Drill samples were logged for lithology, rock type, colour, mineralisation, alteration, and texture. Logging is a mix of qualitative and quantitative observations. It has been standard practice by Dragon Mining, that all diamond core be routinely photographed. All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Exploration diamond core is cut in half using a core saw with half core submitted for assay. In some cases, quarter core is sent for analysis. Whole core is sent for analysis from underground diamond grade control drilling. Reverse circulation drill samples were collected at 1m intervals. Samples were collected at the rig and split using a riffle splitter. Samples were predominantly dry. Sampling of diamond core and RC chips uses industry standard techniques. After drying the sample was subject to a primary crush, then pulverised so that more than 85% passes a -75um sieve at ALS Minerals Ltd. Sludge drill holes are drilled with Solo rig, diameter of holes is 64mm. Sludge drill profiles are perpendicular to the strike of the ore body, and are drilled on a spacing of 3-5m. The dip of sludge drill holes is usually 30-80° upwards. Slurry runs via a dedicated pipeline to a plastic bucket. After mixing slurry, a sample is collected in a bag. Sample length is 1.5m (length of a rod). After each sample (rod), the hole is

Criteria	JORC Code Explanation	Commentary
		washed thoroughly with water to minimize contamination. Samples are dried at the ALS Minerals laboratory, and weight of a dry sample is 3kg, on average. Standards and systematic duplicates are not submitted with sludge samples. Samples are assayed at ALS Minerals using Gold_AA25 method, values exceeding 50g/t gold are checked with Gold_GRA21. Dragon Mining has included systematic standard and pulp duplicate samples since 2000. Every 30th sample is submitted as a standard, and every 31st sample is inserted as a pulp duplicate. Sample sizes are considered appropriate to correctly represent the moderately nuggetty gold mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	The predominant assay method for drill samples was by Fire Assay with AAS or ICP finish (30g or 50g pulps). Values exceeding 1ppm gold (prior to 2009) and 5ppm gold (from 2009) were checked using Fire-Assay with gravimetric finish. The main element assayed was gold, but major and trace elements were analysed on selected drill holes. No geophysical tools were used to determine any element concentrations used in this estimate. Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures to ensure the grind size of more than 85% passing 75µm was being attained. Laboratory QAQC includes the use of internal standards using certified reference material, and pulp replicates. The various programs of QAQC carried out by various companies over the years have produced results which support the sampling and assaying procedures used at the various deposits. A total of 7 different certified reference materials representing a variety of grades from 0.85g/t to 18.12g/t gold were inserted systematically since 2000. Results highlighted that the sample assays are accurate, showing no obvious bias. Field duplicate analyses honour the original assay and demonstrate best practice sampling procedures have been adopted. External laboratory checks have been conducted for the Dragon Mining drilling, with samples sent to Omac Laboratories in Ireland, ALS Minerals in Canada and Romania, and ACME laboratories in Canada. The inter-laboratory checks showed consistency of results between different laboratories with no clear bias.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Mr Trevor Stevenson (formerly with RPM) verified significant intersections of mineralisation on the most recent site visit by viewing diamond core and comparing to assay values within the Dragon Mining database. There has been no specific drill program at Svartliden designed to twin existing drill holes. Primary data was documented on LogChief core logging software. RPM made no adjustments to the supplied assay data.

Criteria	JORC Code Explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars and starting azimuths have been accurately surveyed by Dragon Mining mine and exploration surveyors. Down hole dip values were recorded at 6m intervals by the drillers using conventional equipment. The azimuth deviations of the deepest holes have been surveyed with Reflex EZ-Track equipment. All drilling from 2010 has been surveyed using the Reflex EZ-Track equipment. Drill hole locations were positioned using the Swedish National Grid System (RT90). The topographic and open pit surface over the Svartliden deposit was provided to RPM by Dragon Mining and was prepared by Dragon Mining using topographic contours from digi-form maps. Surveyed data points from drill hole collars and pit surveys were used to create a more accurate surface.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Production holes were drilled at 5-8m spacings on 5-12.5m spaced cross sections. Holes in the deeper area were generally drilled at section spacing's of approximately 25m and hole spacing's of 20m to 30m down dip. The main mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. Samples have been composited to 1m lengths using 'best fit' techniques.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drill holes are orientated predominantly to an azimuth of 341° or 160° and drilled at an angle of between 30° and 80° to the north-northwest or south-southeast that is approximately perpendicular to the orientation of the mineralised trends. No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	Chain of custody of samples is managed by Dragon Mining and the process was closely viewed by Trevor Stevenson (RPM) during the October 2013 site visit. Dragon Mining personnel or drill contractors transport diamond core to the core logging facilities where Dragon Mining geologists log the core. Core samples are cut either by Dragon Mining personnel or by ALS laboratory personnel. Samples are transported to the sample preparation laboratory and then on to the analysis laboratory using contract couriers or laboratory personnel. Dragon Mining employees have no further involvement in the preparation or analysis of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	A review of sampling techniques and data was carried out during a site visit conducted by Paul Payne (formerly with RUL) in June 2009 and September 2010. The site was most recently visited by Trevor Stevenson (RPM) in October 2013. The conclusions made from both visits were that sampling and data capture was to industry standards.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and	• *Type, reference name/number, location and ownership including agreements or material issues*	Exploitation Concession "Svartlidengruvan K nr. 1" covers an area of 87.54 hectares, is 100% owned by

Criteria	JORC Code Explanation	Commentary
land tenure status	*with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	Dragon Mining and encompasses the entire Svartliden Mineral Resource. The mine lease is valid from 10th April 2002 and expires on 10th April 2027.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The Svartliden deposit was discovered in the mid-1990's, the first drilling was carried out in 1995 by Lappland Guld & Prospecting, then by Viking Gold Corporation in 1997. Dragon Mining subsequently acquired an initial 60% interest in the project and commenced further drilling in 2000.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Svartliden is an epigenetic lode style gold deposit located along the "Gold Line" in northern Sweden. The gold mineralisation, dominantly hosted by a volcano-sedimentary sequence, is structurally controlled and occurs along an ENE-trending steeply dipping shear zone. The gold mineralisation is hosted by banded iron formation (BIF) located on the contact between one of the sediment bodies and one of the metabasalts. Gold is associated with arsenopyrite and pyrrhotite.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		Exploration results are not being reported.
		
		This information has previously been reported to the market and included in the various Mineral Resource reports completed since Dragon Mining commenced activities in 2000.
		
		In the opinion of Dragon Mining, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Exploration results are not being reported. Aggregation of intercepts has not occurred. Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Drill holes were orientated predominantly to an azimuth of 341° or 160° and angled to a dip of -50° that is approximately perpendicular to the orientation of the mineralised trends. Mineralisation occurs along a shear zone which strikes approximately 070°. Narrow mineralised lodes, within BIF, dip between 30° and 80° to the south. Not applicable.
Diagrams	• *Appropriate maps and sections (with scales) and*	No significant discoveries are being reported so no

Criteria	JORC Code Explanation	Commentary
	tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	diagrams have been provided.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	In addition to drilling, trench samples were taken at Svartliden. A field diamond saw was used to cut 6cm channels within the exposed bedrock. Channel profiles were spaced at either 10m or 20m. Sampling occurred at intervals ranging from 0.15m to 0.90m. Logging and sampling was carried out by Dragon Mining geologists.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	No further drilling is planned.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Drilling data is captured with LogChief software and synced to an SQL database. Dragon Mining carry out internal checks to ensure the transcription is error free. Laboratory assay results are loaded as electronic files direct from the laboratory so there is little potential for transcription errors. The database is systematically audited by Dragon Mining geologists. All drill logs are validated digitally by the geologist once assay results are returned from the laboratory. RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	An initial site visit was conducted by Paul Payne (currently an Associate Consultant with RPM) in June 2009 and September 2010. The most recent site visit was conducted by Trevor Stevenson (formerly with RPM) in October 2013. Drilling, logging, and sampling procedures were viewed and it was concluded that these were being conducted to best industry practice. Not applicable.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on*	Svartliden is an epigenetic lode style gold deposit located in the Skellefte District, northern Sweden. The gold mineralisation, dominantly hosted by a volcano-sedimentary sequence, is structurally controlled and occurs along an ENE-trending steeply dipping shear zone. Mineralisation occurs along a shear zone, which

Criteria	JORC Code Explanation	Commentary
	Mineral Resource estimation. • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	strikes approximately 070°. Narrow mineralised lodes, within BIF, dip between 30° and 80° to the south. The confidence in the geological interpretation of the main lodes is considered good as the drilling is close spaced, and the continuity of mineralisation can be traced along the walls of the open pit. Drill hole logging by Dragon Mining geologists, through direct observation of drill core and reverse circulation samples have been used to interpret the geological setting. The bedrock is exposed in the open pit. The continuity of the main mineralised lodes is clearly observed by gold grades within the drill holes. The close spaced drilling and geological mapping in the open pit suggest the current interpretation is robust. The nature of the thin parallel lodes would indicate that alternate interpretations would have little impact on the overall Mineral Resource estimation. Mineralisation occurs within BIF, which is directly observed at surface and in the pit. The current interpretations are mainly based on gold assay results. Gold mineralisation is contained within BIF occurring within the barren host rocks.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Svartliden estimate area extends over a combined strike length of 1,180m (from 1,588,030mE to 1,589,130mE) and includes the 260m vertical interval from 465mRL to 205mRL. The individual high grade lodes are up to 20m wide but typically 3m to 10m in width.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole*	Ordinary Kriging (OK) interpolation with an oriented 'ellipsoid' search was used for the estimate. Surpac software was used for the estimations. Three-dimensional mineralised wireframes (interpreted by Dragon Mining and checked by RPM) were used to domain the gold data. Sample data was composited to 1m down hole lengths using the 'best fit' method. Intervals with no assays were excluded from the estimates. The influence of extreme grade values was addressed by reducing high outlier values by applying high grade cuts to the data. These cut values were determined through statistical analysis (histograms, log probability plots, cv's, and summary multi-variate and bi-variate statistics) using Supervisor software. The maximum distance of extrapolation from data points (down dip) was 20m. RPM has not made assumptions regarding recovery of by-products from the mining and processing of the Svartliden Gold Mineral Resource. No estimation of deleterious elements was carried out. Only gold was interpolated into the block model. An orientated 'ellipsoid' search was used to select data and was based on the observed lode geometry. The search ellipse was orientated to the average strike, plunge, and dip of the main lodes. Three passes were used in the estimation. The first pass used a range 25m or 80m, with a minimum of 10 samples. For the second pass, the range was extended to 50m or 160m, with a minimum of 10 samples. A third pass radius of 75m or 160m with a

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	data, and use of reconciliation data if available.	minimum of 2 samples was used to fill the remaining blocks. A maximum of 20 or 30 samples was used for all 3 passes. More than 98% of the blocks were filled in the first two passes. Mineral Resource estimates for the Svartliden deposit have previously been reported by RPM, with the earliest reported in September 2009. The current estimate is based upon data and interpretations from the previous estimates. The Svartliden deposit was recently mined, with operations ceasing in November 2013. Dragon Mining supplied RPM with pit and stope outlines, which were used to deplete the 2014 model. Depletion of existing stockpiles is the only change from the 2014 estimate and that being reported in this report. No assumptions were made regarding the recovery of by-products. No non-grade deleterious elements were estimated. The parent block dimensions used were 2m NS by 10m EW by 10m vertical with sub-cells of 0.5m by 2.5m by 2.5m and the model was rotated on a bearing of -19° to match the approximate strike of the mineralisation. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing. Selective mining units have not been modelled. The block size used in the Mineral Resource estimate was based on the drill hole sample spacing and the orientation of the lode geometry. Only gold assay data was available, therefore correlation analysis was not carried out. The deposit mineralisation was constrained by wireframes constructed using a 1.3g/t gold cut-off grade with a minimum intercept of 2m required. The wireframes were applied as hard boundaries in the estimate. Statistical analysis was carried out on data from seven domains. The high coefficient of variation within some main lodes, and the scattering of high grade outliers observed on the histograms, suggested that high grade cuts were required if linear grade interpolation was to be carried out. A three step process was used to validate the model. A qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average gold grades of the composite file input against the gold block model output for all the mineralised wireframes. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the main lodes. This analysis was completed for eastings and elevations across the deposit. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis.

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Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource estimate has been constrained by the wireframed mineralised envelopes, is undiluted by external waste and reported above a 1.0g/t gold cut-off grade for open pit material above the 340mRL; and at 1.7g/t gold for underground material below the 340mRL. The cut-off grades were estimated using the following parameters which are based on gold market prices extrapolated for the potential economic extraction of a resource (125% of spot price), Svartliden operational costs and recoveries as outlined below: - Gold price of US$1,500/oz; - Mining cost of US$28.12t of ore for open pit; and a mining cost of US$37.15 of ore for underground; - Processing cost of US$36.13/t of ore; and - Processing recovery of 90%.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	The Svartliden deposit has recently been mined using open pit and underground methods. Mining ceased in November, 2013. The cessation of mining was an economic decision by the operator; however, the Competent Person is of the opinion that there is a possibility that the defined Mineral Resource could be economically extracted under different financial constraints, as it has been in the recent past.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	RPM has made no assumptions regarding metallurgical amenability. Dragon Mining has been mining the Svartliden deposit since 2005 and has a good knowledge of treating this ore.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made by RPM regarding possible waste and process residue disposal options.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*	A bulk density value of 3.08t/m^3 was assigned to all material (ore and waste) based on core measurements and many years of mining experience at the Svartliden mine. Bulk density is measured. Moisture is accounted for in the measuring process. It is assumed there are minimal void spaces in the rocks at Svartliden. All material at the Svartliden deposit is fresh rock and has been assigned the value of 3.08t/m^3.

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	• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The estimate was classified as Measured, Indicated and Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The Measured portion of the deposit was defined for the main mineralised zones where there was extensive open pit or underground level development and grade control drilling. The Indicated portion of the estimate included areas where the drill spacing was less than 25m by 25m and lode continuity was good. The remainder of the deposit defined by drilling at greater than 25m spacing and where lode continuity was less certain was classified as Inferred Mineral Resource. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. The drilling and sampling processes used by Dragon Mining are 'best practice' and certified laboratories have been used for gold analyses of samples. The input data is considered reliable and suitable for use in the estimate. The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Svartliden Mineral Resource estimate has been reported with a high degree of confidence. The lode geometry and continuity has been verified through sampling and mapping of surface bedrock, and through infill drilling orientated to optimally intersect the lodes. Dragon Mining has been mining the Svartliden deposit for a number of years and has a good understanding of the geology and mineralisation controls. The Mineral Resource statement relates to global estimates of tonnes and grade. Results from geological mapping undertaken along underground development drives have confirmed the lode geometry and position.